

ORIENTAL CARBON & CHEMICALS LIMITED

[Corporate Identity Number (CIN) - L24297WB1978PLC031539]

Regd. Office : "Duncan House", 31, Netaji Subhas Road, Kolkata - 700 001

Phone : 091-033-2230-6831/6832, Fax No. : 091-033-22434772

E-mail : occl@cal2.vsnl.net.in, occlkol@gmail.com, Website : www.occlindia.com

July 26, 2016

The Secretary

The Calcutta Stock Exchange Ltd.
7 Lyons Range
Kolkata-700 001

The Manager

BSE Limited
Department of Corporate Services
Floor 25, P. J. Towers, Dalal Street
Mumbai – 400 001
Fax No. 022-2272-3121/1278/1557/3354
Email: corp.relations@bseindia.com

The Manager

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051
Fax No. 022-2659-8237/8238/8347/8348
Email: cmlist@nse.co.in

Dear Sir/Madam,

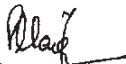
Re: Investor Presentation for the quarter ended 30th June, 2016

Pursuant to the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find herewith a copy of the Investor Presentation for the Quarter ended 30th June, 2016.

Thanking you,

Yours Faithfully,

ORIENTAL CARBON & CHEMICALS LTD.


Pranab Kumar Maity
Company Secretary &
Senior Manager-Legal



Encl: As above.

ORIENTAL CARBON & CHEMICALS LTD

Investor Presentation - July 2016





Safe Harbor

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Performance Highlights

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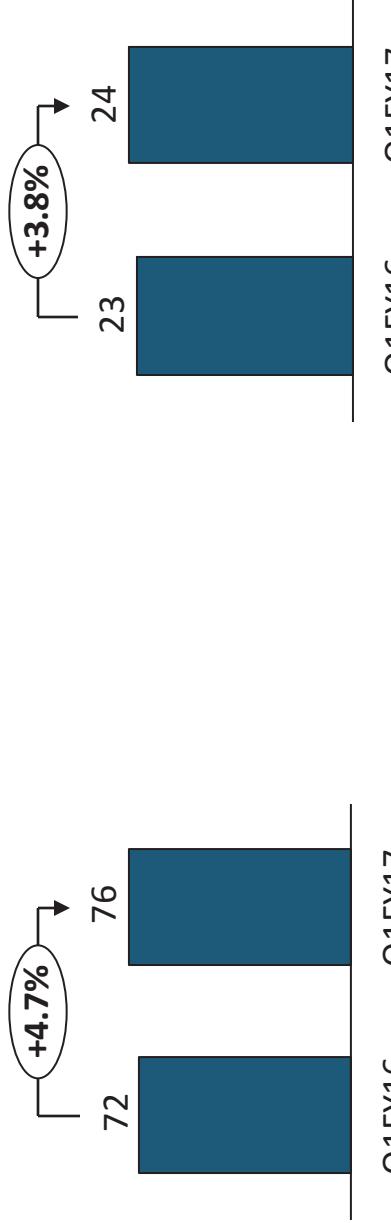
Company Overview

Growth Opportunities

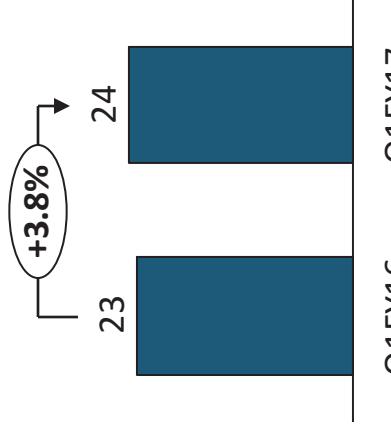
Financials

Result Highlights: Y-O-Y Performance

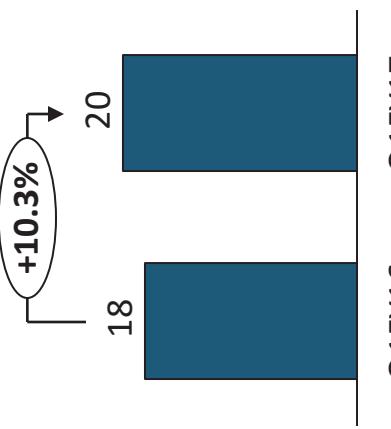
Revenue (Rs. Crs)



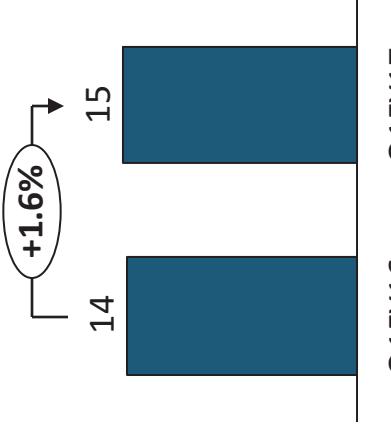
EBITDA* (Rs. Crs)



EBIT (Rs. Crs)



PAT (Rs. Crs)



+3.8%

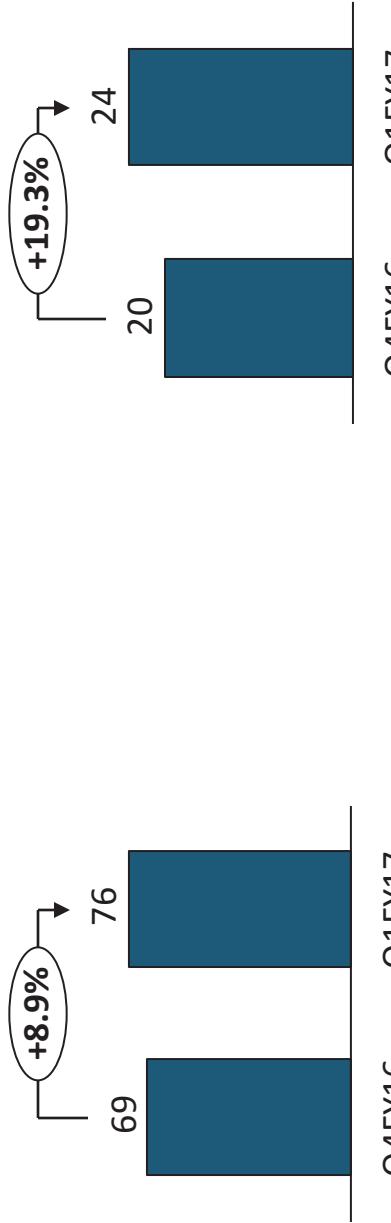
+4.7%

+1.6%

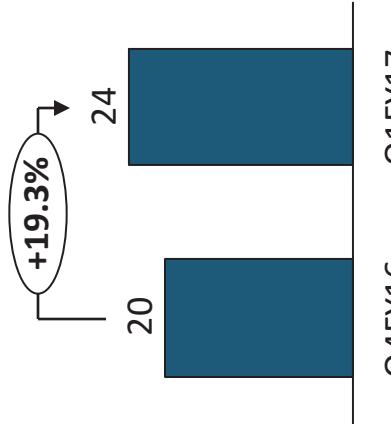
+10.3%

Result Highlights: Q-O-Q Performance

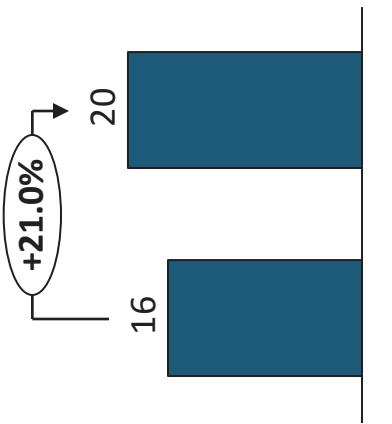
Revenue (Rs. Crs)



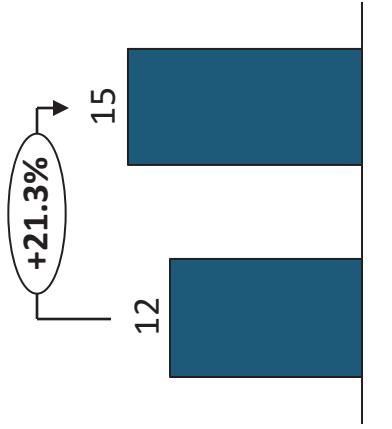
EBITDA* (Rs. Crs)



EBIT (Rs. Crs)



PAT (Rs. Crs)



*incl. Other Income



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Company Overview

Aims to be the
most respected,
most preferred
technology driven
Insoluble Sulphur
supplier to the
Rubber industry

A Duncan JP
Goenka Group
Company

State of the art manufacturing
facilities in India at Dharuhera
(Haryana) and at Mundra
(Gujarat)

One of the market leader
in the production of
Insoluble Sulphur

OCCL is a people
and technology
driven company

Our products are
"REACH"
compliant



OCCL - A Duncan JP Goenka Group Company



MARKET SHARE
10 %

CAPACITY INCREASE
7.5x

CUSTOMER BASE
+40

REVENUE - 10 Years CAGR
+18 %

EBITDA - 10 Years CAGR
+24 %

PAT - 10 Years CAGR
+30 %



Management Team

Mr. J. P. Goenka: Promoter & Chairman

- Graduate from Kolkata University – An Industrialist associated with the renowned multi-Industry group name Duncan
- Having 55 years of Experience in the industries of diverse business interests such as Jute & Cotton Textiles, Wool-Tops, Industrial Explosives, Rubber Chemicals & Engineering products

Mr. Arvind Goenka: Promoter & Managing Director

- Commerce Graduate from Kolkata University with 30 years of Experience in managing jute, lubricants and carbon black industry with expertise in finance & international marketing
- Responsible for the Long-term Goal Setting & Monitoring the progress of the Company

Mr. Akshat Goenka: Promoter & Jt. Managing Director

- Graduate in Economics & International Relations from University of Pennsylvania, USA
- Lead the team for setting up new Plant for manufacturing Insoluble Sulphur at SEZ Mundra, Gujarat

Mr. Anurag Jain: Chief Financial Officer (CFO)

- Part of the company from last 24 years
- He brings dynamism to the Financial & Commercial Operations of the company & has played a key role in the Growth and Restructuring of the company over the years

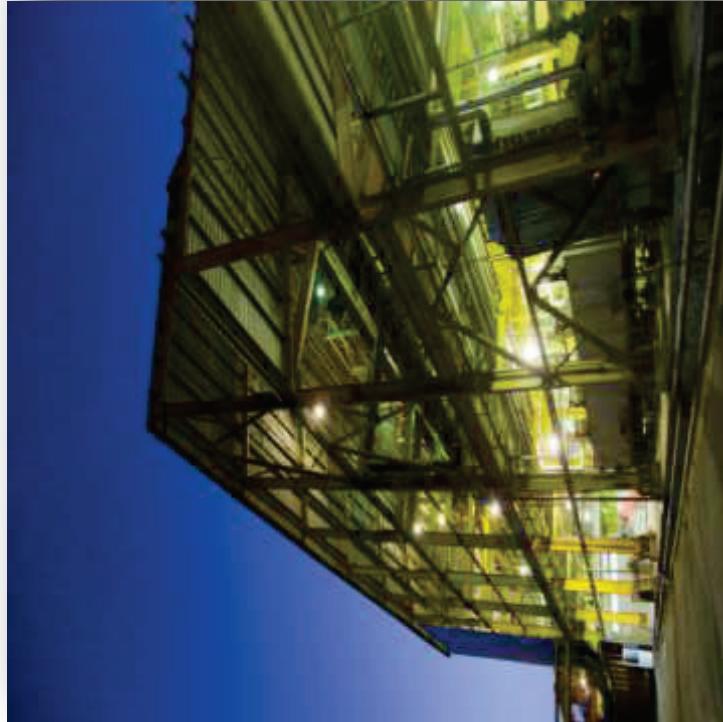
Mr. Vijay Sabbarwal: President (Operations)

- He is an IIT graduate & heading the Operations of the company from 2014
- Has over 25 years of experience in divers Industrial segments like Chemicals, FMCG, Consumer Durables, Auto etc

Mr. Muneesh Batta: Vice President (Marketing)

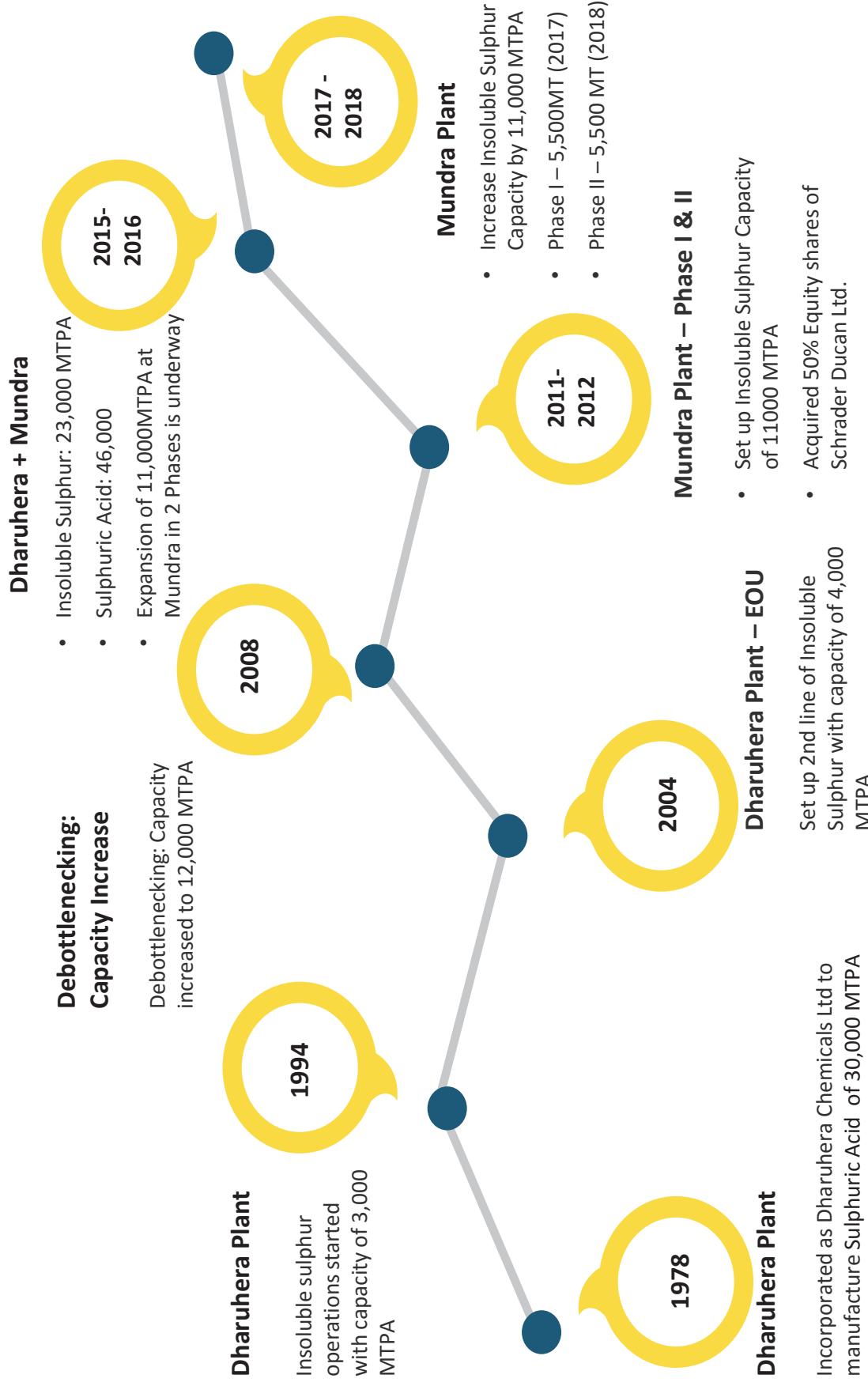
- An M.B.A (International Business) with over 14 years of experience in International business
- Responsible for international marketing of Insoluble Sulfur & increasing market share of Diamond Sulf overseas

Manufacturing Facilities



Product name	Annual Capacity (MT)	Location	No. Of Lines
Insoluble Sulphur	12,000	Dharuhera (Haryana)	2
Insoluble Sulphur	11,000	SEZ Mundra (Gujarat)	2
Sulphuric Acid / Oleum	46,000	Dharuhera (Haryana)	1

Ongoing Capacity Expansion

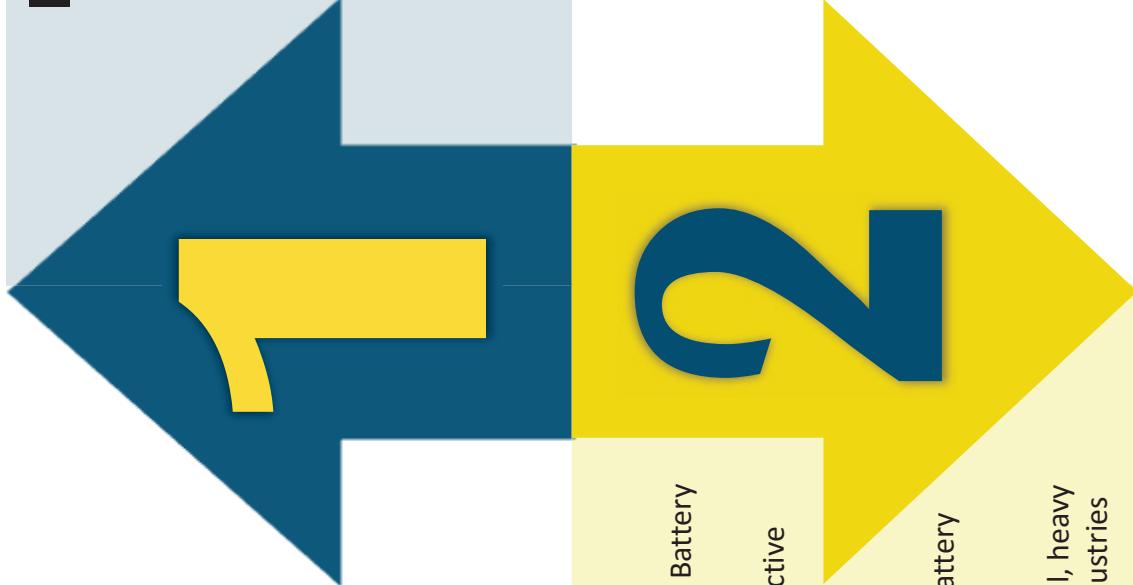


Product Profile



Insoluble Sulphur (IS)

- Insoluble Sulphur is sold under the brand "DIAMOND SULF"
- Application : Used as vulcanising agent in application where sulphur loading levels are required above the sulphur solubility rating of particular elastomers
- DIAMOND SULF is offered in various grades to satisfy diverse compounding requirements majorly for Tire industry
 - 1. High Dispersion Grades
 - 2. High Stability Grades
 - 3. Special Grades



Sulphuric Acid

- Manufactures both Commercial Grade and Battery Grade Sulphuric Acid and Oleums
- Application : Dehydrating agent, catalyst, active reactant in chemical processes , solvent , detergents and absorbent
- Offered in following Grades
 - 1. Grades of exact purity : Storage battery ,rayon, dye, Detergent and pharmaceutical industries
 - 2. Grades of less specifications :Steel, heavy chemical and superphosphate industries



Cost Optimization Strategy



Raw Material

- Key Raw Materials :
 - Sulphur available easily due to ample supply
 - Naphthenic Oil is procured from domestic as well as international players

Fixed Costs

- With increase production at the plants Operating Leverage to play out
- Future Expansion will result in reduced Fixed cost/ Overheads per MT as R&D and Utilities will be shared

Freight

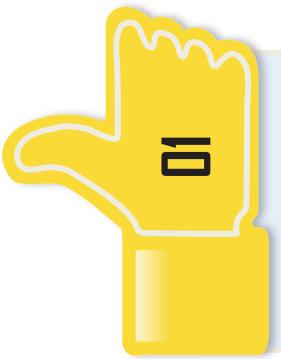
- Presence at the Port gives Location Advantage of reduced Logistic & Freight Cost
- ~71 % of the sales constitutes Exports

Power Cost

- Self-Sufficiency of steam for Plant at Dharuhera
- Benefits from Lower Power Cost in SEZ Gujarat

Tax Exemption

- SEZ location of Mundra Plant - Income Tax Exemption benefit



Global Customer Relationships



BRIDGESTONE

Continental



CÉAT



COOPER TIRES



apollo

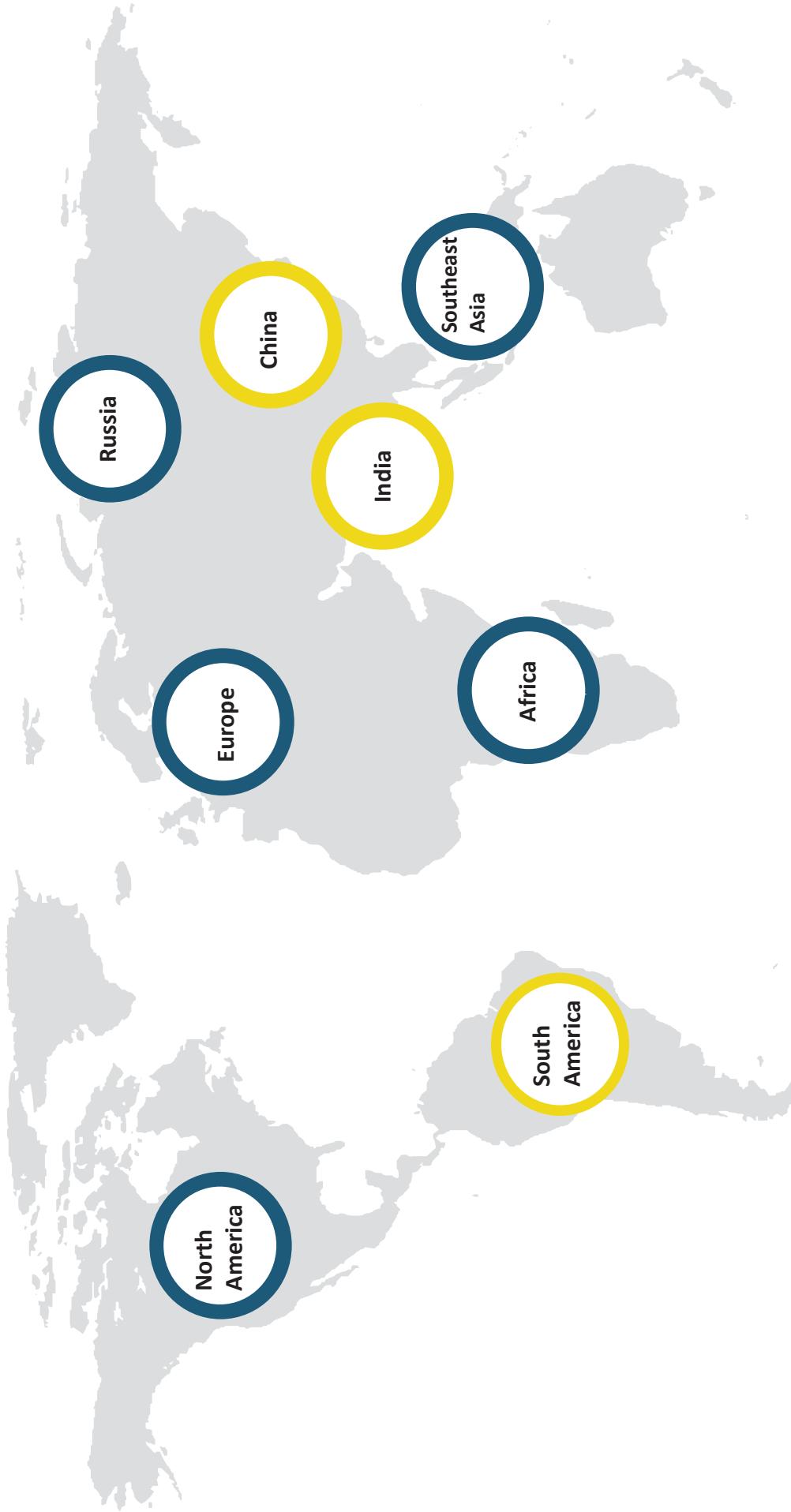
GOODYEAR



SUMITOMO
RUBBER INDUSTRIES

Global Sales Network

Presence in 21 Countries across the World



Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.



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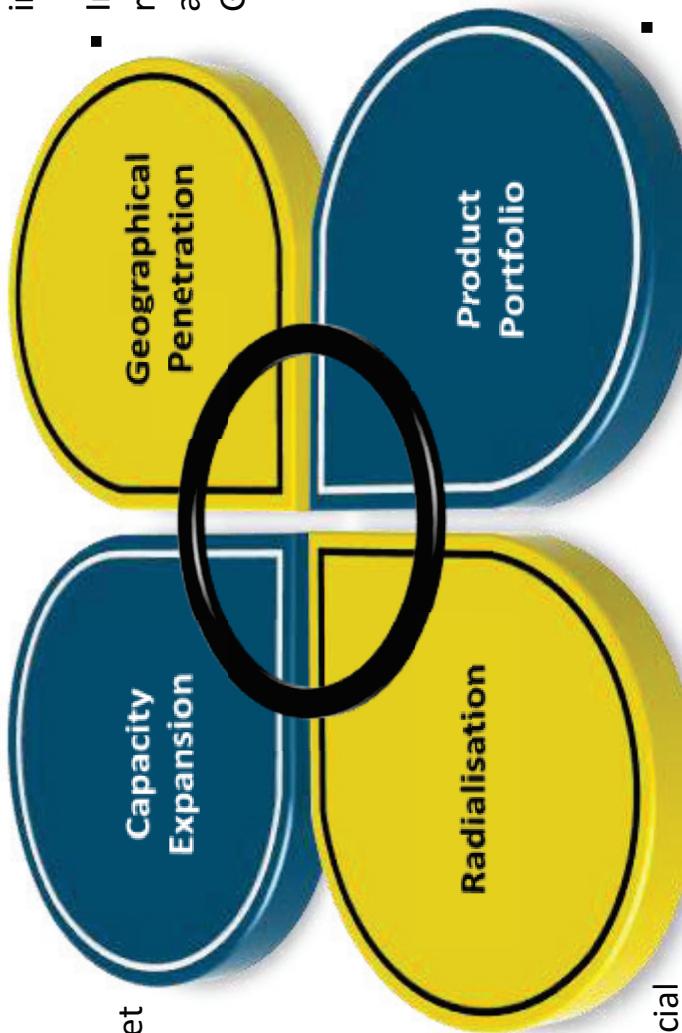
Growth Opportunities

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Financials

Key Growth Drivers

- Capacity expansion at Mundra
- In-house technology and Common Infrastructure available
- Strategic Location to meet Exports demand
- Approval from all Large Global Tire Companies

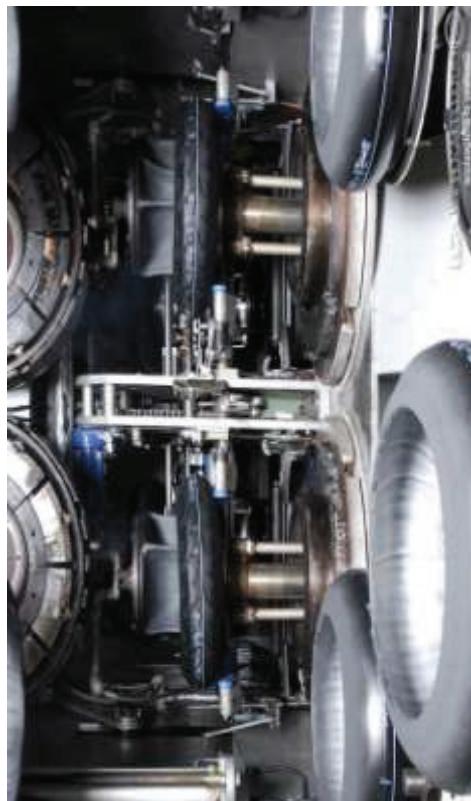


- North America is the largest market for Insoluble sulphur with potential for growth to increase share
- Insoluble sulphur requirement increasing at a fast pace in Asia – High Growth Market
- An increase in rate of Radicalisation in Commercial Vehicles in India will lead to an increase in requirement of Insoluble Sulphur
- 100% Production of High Stability, High Dispersion & Special grades of Insoluble Sulphur

Trends driving Insoluble Sulphur Demand

01

Increase in Automation in Tire Industry



02

Higher Performance Expectation from Tires



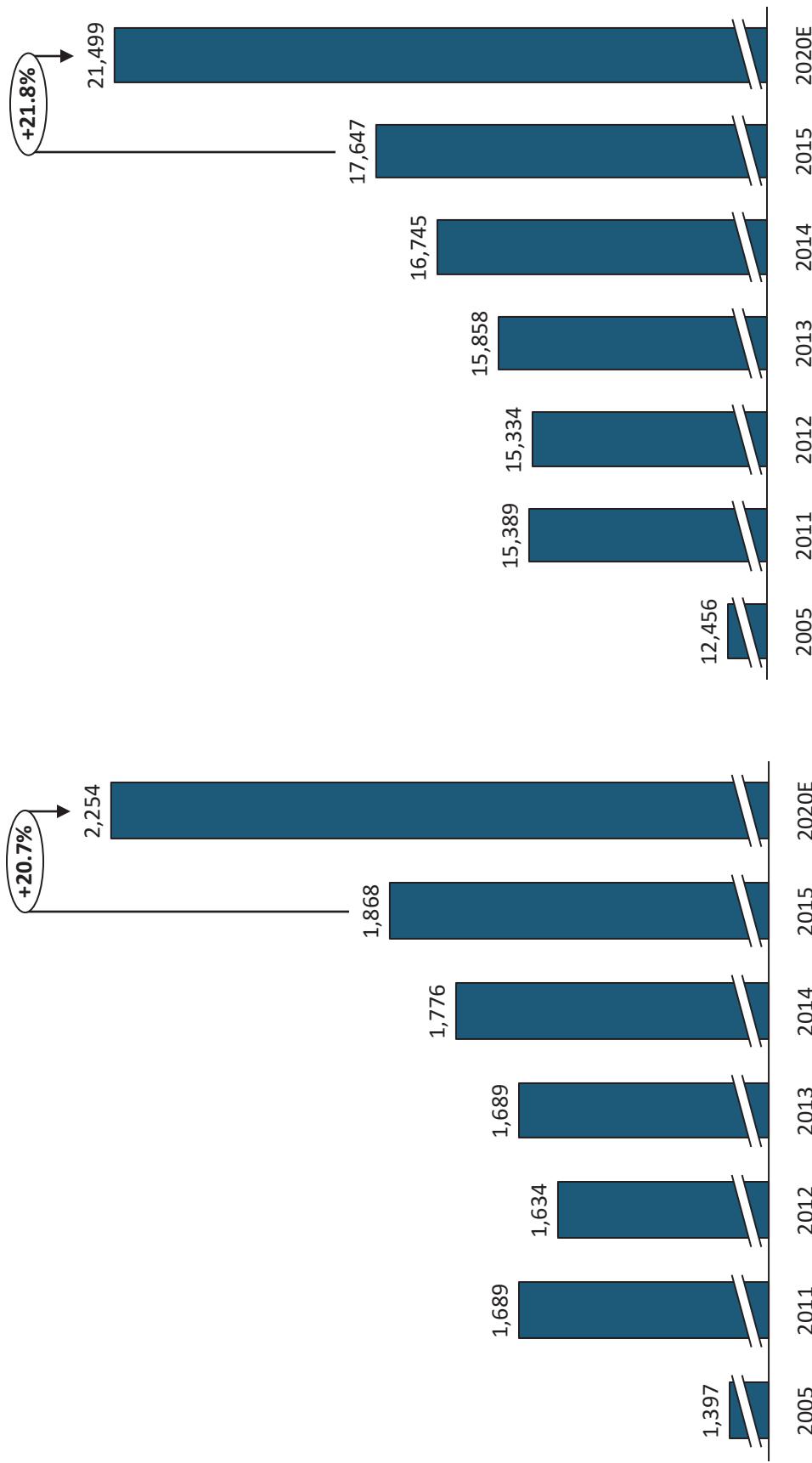
03

Radial Revolution:

Radialization in Asia
Fast Growing Market

Global Tire Industry – Growth Projections

Tire Production (mn units)

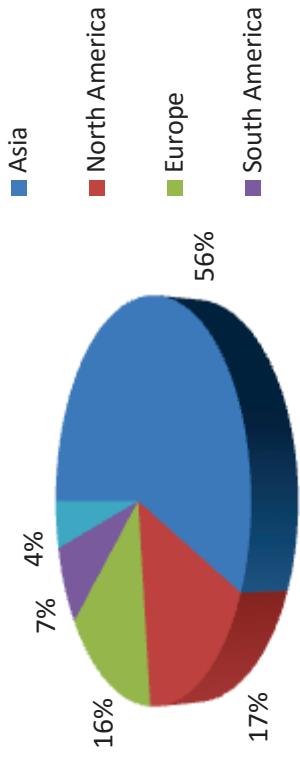


Tire Rubber Consumption ('000 tonnes)

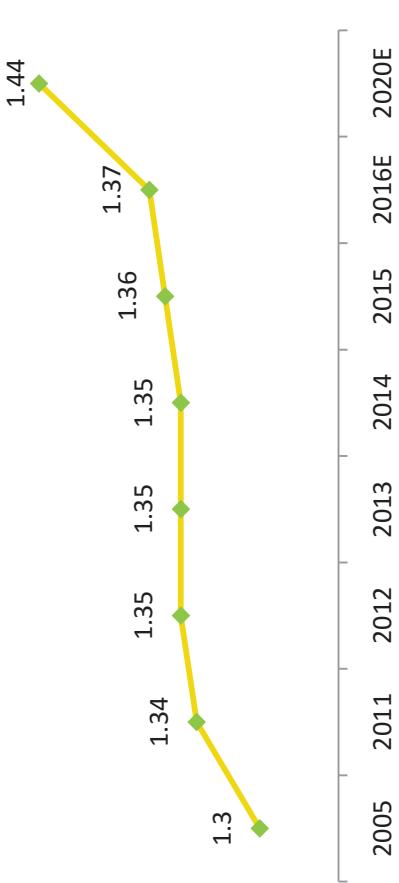
Source: Notch Report

Insoluble Sulphur - Demand Forecast

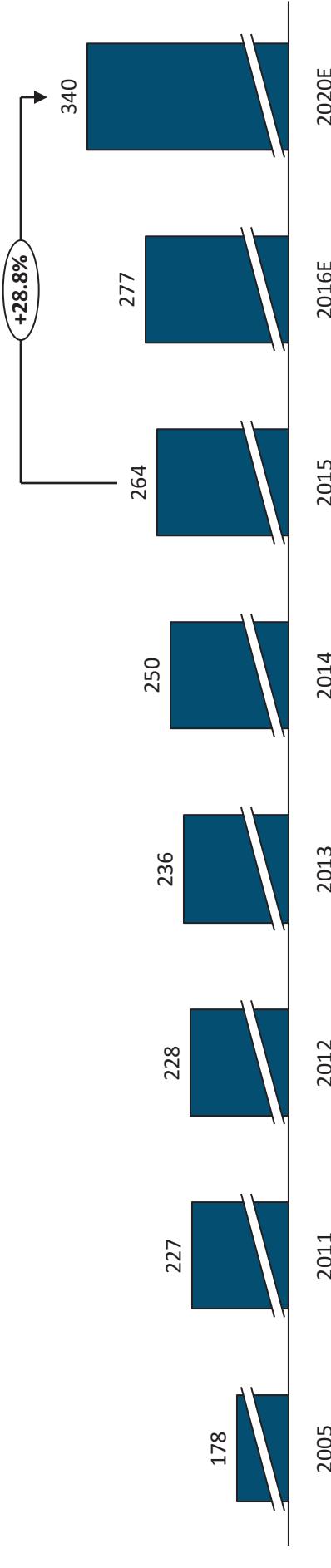
Geographical Breakup - \$28 bn Investment



Radialisation: Insoluble Sulphur to Tire Rubber Ratio



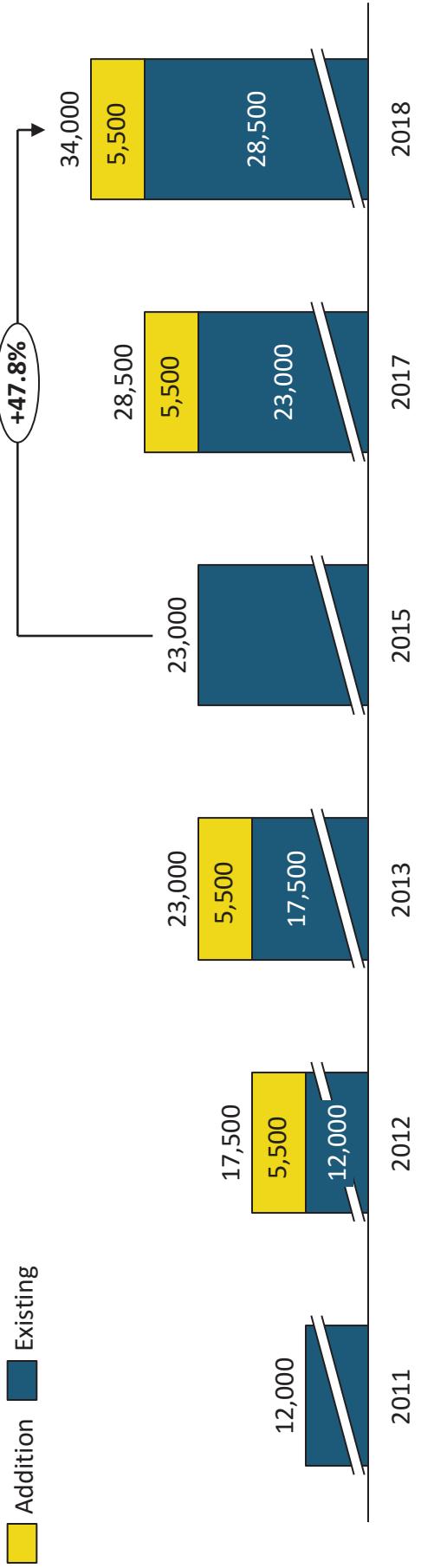
*Insoluble Sulphur Demand ('000 tonnes)



Source: Notch Report

* Also incl. Insoluble Sulphur used for Non-Tire Goods

Planned Capacity Expansion



Brownfield Expansion – To cater to the Growth in Insoluble Sulphur Demand

- ✓ Large Tire manufacturers expanding their business in Asia – High Growth Market
- ✓ Grabbing opportunities of increasing Radialisation in India
- ✓ Strong R&D and in house Technology to support future expansion
- ✓ Increase in market share in the Domestic & International market
- ✓ Increase presence in North American Market
- ✓ Increase from Natural Growth of Existing Customers
- ✓ Capital investment would be of ~Rs.159 crs : funded with debt equity ratio of 2:1. It includes
 - Working capital margin
 - Coal Fired Boiler at Mundra Plant which was commissioned in April-16
 - Expected Project IRR is in excess of 25% and projected payback ~4 years

Entry Barriers: An Advantage

Product Portfolio

- Various grades to satisfy diverse compounding requirements of leading tire manufacturers
- Ongoing development of New Grades to meet Customer requirements

Customer Approvals

- Minimum 24 months required by Customers to approve & validate product from new supplier
- Widely accepted around the world as a preferred vendor by leading tire manufacturers

In house Technology

- In house R&D team works on a continuous basis to improve Quality of product and its Properties
- In house technology team to maintain the technical and quality edge at each production stage

Capital Intensive

- Edge over the others -
 - Land & Common Infrastructure available for further expansion at Mundra
 - In-house Technology



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Profit & Loss Statement – Standalone

Particulars (Rs. In Crs)	Q1FY17	Q1FY16	Y-o-Y	Q4FY16	Q-o-Q	FY16
Sales from Operations	73.94	71.38		68.52		271.29
Other Operating Income	1.56	0.73		0.84		3.43
Total Income from Operations	75.51	72.11	4.7%	69.37	8.8%	274.72
Other Income	1.50	1.46		0.71		5.69
Total Income	77.01	73.58	4.7%	70.08	9.9%	280.40
Total Raw material*	22.80	20.74		15.88		69.21
Power & Fuel Cost	7.94	9.33		7.77		34.03
Employee Cost	8.92	7.30		9.70		32.78
Other Expenses	13.75	13.48		16.95		57.62
EBITDA	23.59	22.73	3.8%	19.78	19.2%	86.76
EBITDA (%)	30.6%	30.9%		28.2%		30.9%
Depreciation	3.74	4.73		3.38		15.65
EBIT	19.85	18.00	10.3%	16.41	21.0%	71.11
EBIT (%)	25.8%	24.5%		23.4%		25.4%
Interest	1.24	1.53		1.76		6.35
Profit Before Tax	18.61	16.47	13.0%	14.64	27.1%	64.76
Provision for Tax	4.03	2.12		2.63		11.78
PAT	14.58	14.35	1.6%	12.02	21.3%	52.99
PAT (%)	18.9%	19.5%		17.1%		18.9%
EPS	14.16	13.94		11.67		51.46

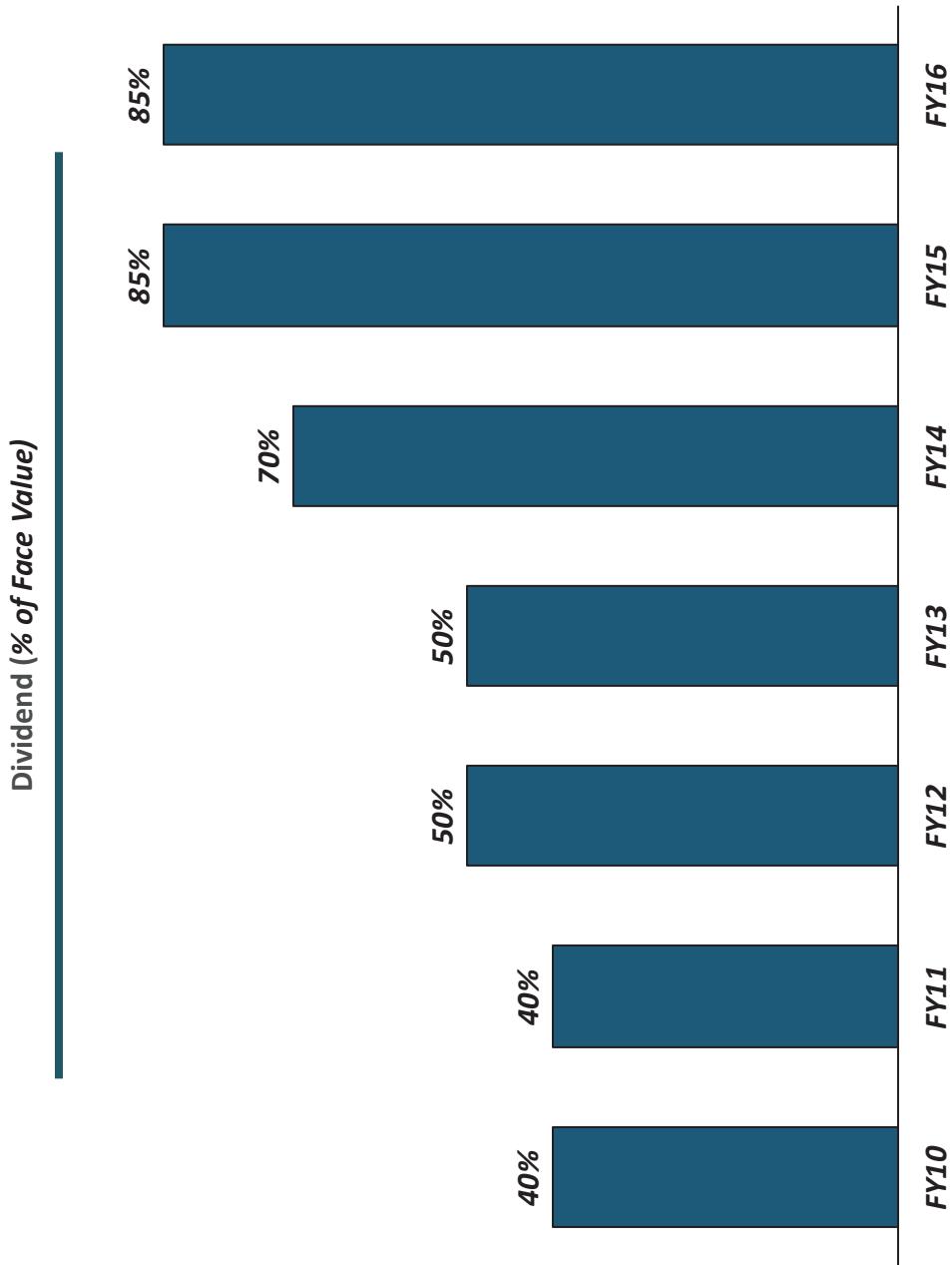
*Total Raw material cost incl. change in Inventories



Balance Sheet - Standalone

Particulars (Rs. Crs)	Mar-16	Mar-15	Particulars (Rs. Crs)	Mar-16	Mar-15
Shareholder's Fund	286.64	244.18	Non-current assets	285.29	248.4
Share capital	10.31	10.31	Fixed assets (inc. CWIP)	222.33	191.7
Reserves & Surplus	276.33	233.87	Non-current Investments	14.71	14.7
Non-current liabilities	44.40	66.49	Long Term Loans & Advances	48.26	42.0
Long term borrowings	21.39	44.09	Current assets	132.03	142.70
Deferred Tax liabilities (net)	21.14	21.12	Current Investments	15.48	26.6
Other Long term liabilities	1.87	1.29	Inventories	38.67	37.3
Current liabilities	86.29	80.43	Trade receivables	48.05	51.5
Short term borrowings	27.74	25.73	Cash and bank balances	10.00	17.7
Trade payables	10.21	15.35	Short term loan and advances	14.60	5.2
Other current liabilities	48.34	39.35	Other current assets	5.23	4.4
Total Liabilities	417.32	391.10	Total Assets	417.32	391.10

Consistent Dividend Record





For further information, please contact:

Company :

Oriental Carbon & Chemicals Ltd.
CIN: L24297WB1978PLC031539
Mr. Anurag Jain - CFO
anuragjain@occlindia.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285
Ms. Payal Dave / Ms. Neha Shroff
dpayal@sgapl.net / sneha@sgapl.net

<http://www.occlindia.com/>

www.sgapl.net