



# NOCIL LIMITED

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CIN: L99999MH1961PLC012003 Email: investorcare@nocil.com

30<sup>th</sup> July 2018

SEC/122B

The Secretary The Bombay Stock Exchange Limited "P.J. Towers" Dalal Street Mumbai-400 001 Scrip Code: 500730	The National Stock Exchange of India Ltd. Exchange Plaza Bandra Kurla Complex, Bandra (East) Mumbai-400 051 Symbol: NOCIL
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Dear Sir,

### Sub: Investor Presentation

Pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, we enclose herewith Investors Presentation on the Financial Highlights for the quarter ended 30<sup>th</sup> June 2018.

The aforementioned Presentation has been uploaded on the Company's website viz., [www.nocil.com](http://www.nocil.com).

We request you to take the above on your records and acknowledge receipt.

Thanking you,

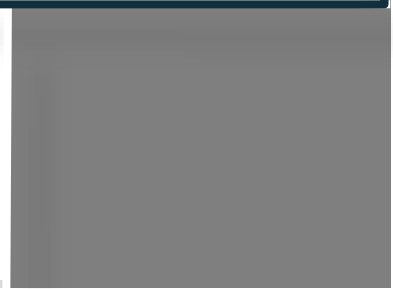
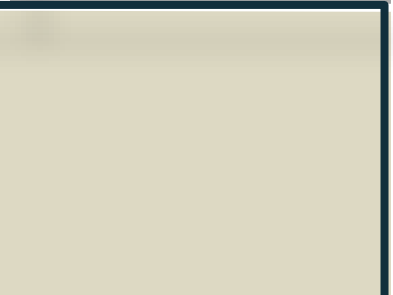
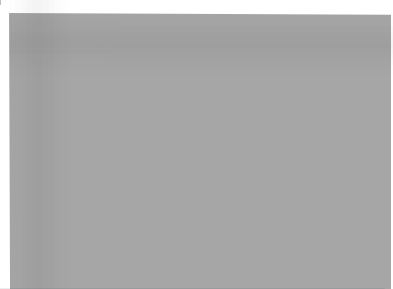
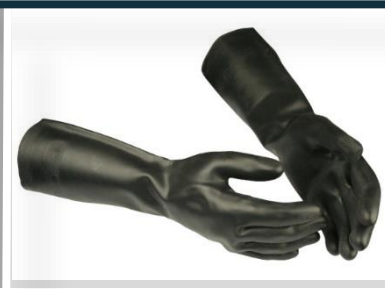
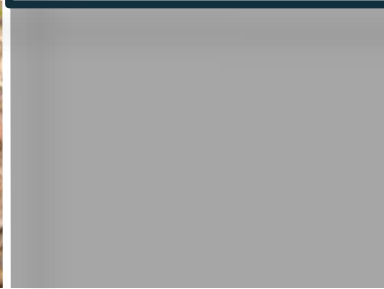
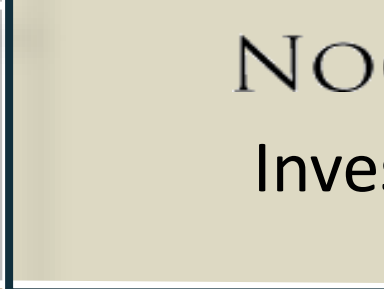
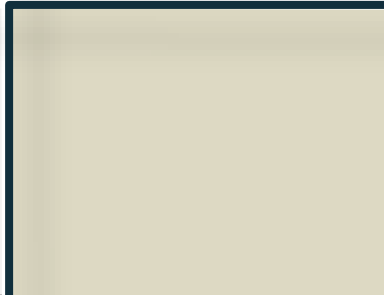
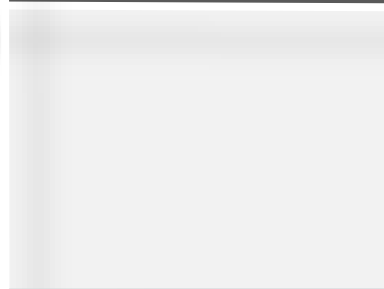
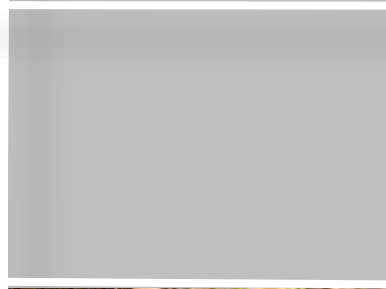
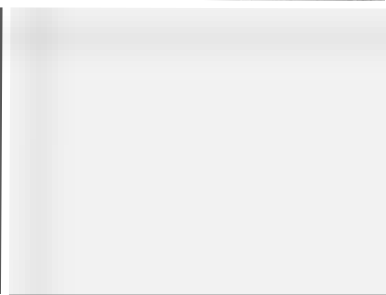
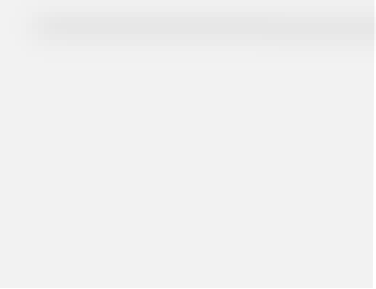
Yours faithfully,  
**For NOCIL Limited**

**V. K. Gupte**  
**Company Secretary**

Encl: as above



ARVIND MAFATLAL GROUP  
The ethics of excellence



# NOCIL LIMITED

## Investor Presentation

July 2018



# Safe Harbor



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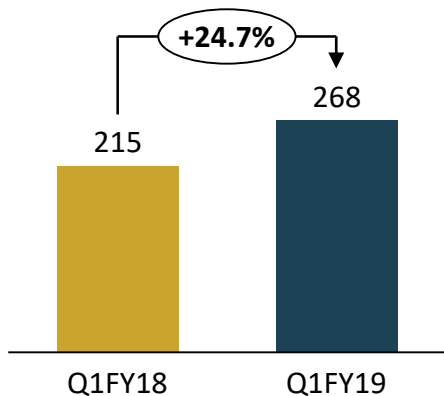
# Results Highlights



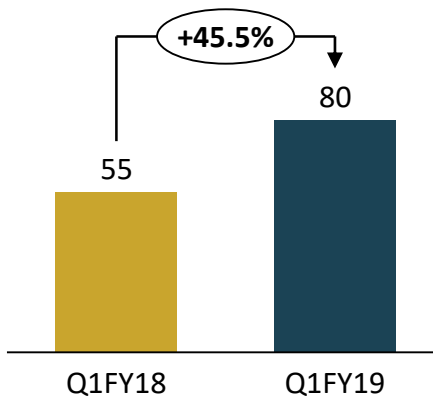


# Quarterly Performance

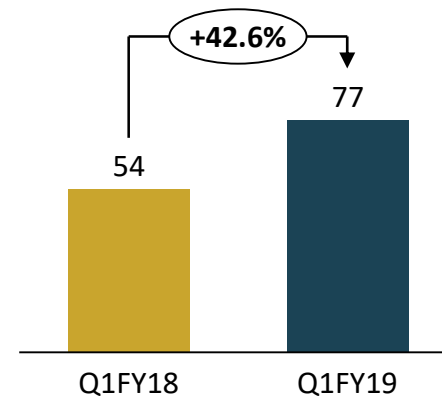
## Revenue from Operations\*



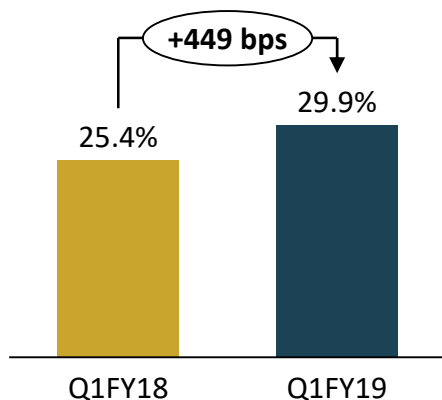
## Operating EBITDA



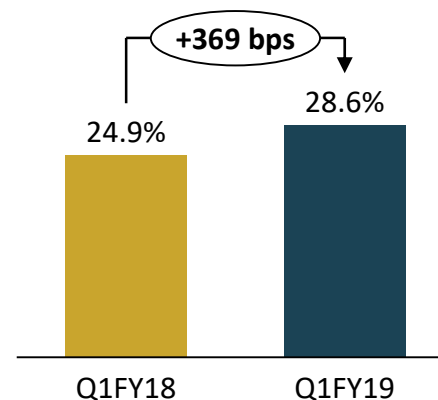
## PBT



## Operating EBITDA Margins



## PBT Margins

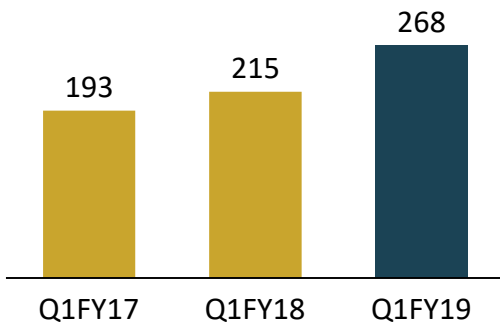


\* Revenue from operations is net of GST/Excise duty

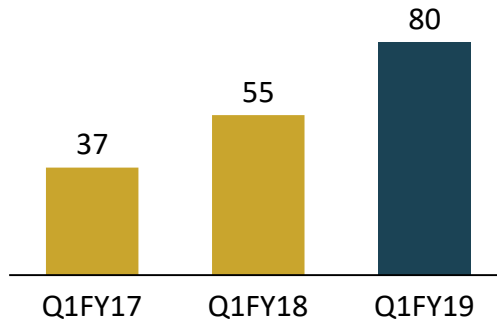


# Consistent Performance

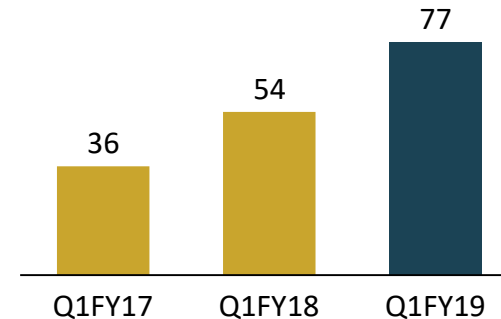
## Revenue from Operations\*



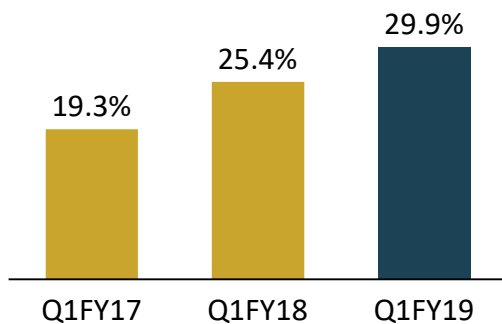
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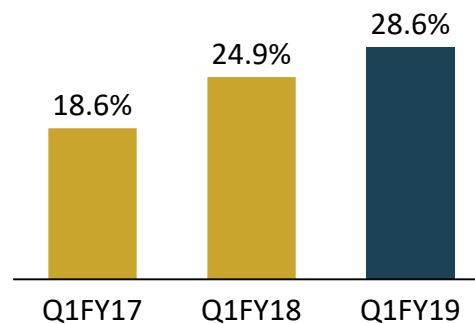
## PBT



## Operating EBITDA Margins



## PBT Margins



\* Revenue from operations is net of GST/Excise duty



# CAPEX – Key Growth Driver

To capitalize on growth opportunities, Company has Capex

## Phase I – Rs. 170 crores

Announced in March'17

- **Phase I (a)** - Expansion at Navi Mumbai has been commissioned and the commercial production have started from Q1 FY18-19
- **Phase I (b)** – Expansion at Dahej is expected to commence the commercial production during Q3 FY2018-19

## Phase II – Total Capex of Rs. 255 crores\*

- For expansion of its production facilities for Rubber Chemicals (including intermediates captively consumed towards manufacture of rubber chemicals) at Dahej/Navi Mumbai – **(Announced in Dec'17)**
- For expansion of its production facilities for Rubber Chemicals at Dahej/Navi Mumbai - **(Announced in Jan'18)**
- The above capex is expected to commence the commercial production by the end of H1 FY2019-20

**Total Capex of Rs. 425 crores - Significant portion will be funded by Internal Accruals**

**Expansion is expected to give an Asset Turnover of 2X**





## Statement of Profit &amp; Loss - Quarterly



Rs. In Crores	Q1 FY19	Q1 FY18	Y-o-Y	Q4 FY18	Q-o-Q
<b>Revenue from Operations*</b>	<b>268</b>	<b>215</b>	<b>24.7%</b>	<b>276</b>	<b>-2.8%</b>
Total Raw Material cost	119	96		122	
<b>Value Addition**</b>	<b>149</b>	<b>119</b>		<b>154</b>	
<b>Value Addition (%)</b>	<b>55.6%</b>	<b>55.6%</b>		<b>55.8%</b>	
Employee Expenses	18	19		17	
Other Operating Expenses	51	46		52	
<b>EBITDA</b>	<b>80</b>	<b>55</b>	<b>46.8%</b>	<b>85</b>	<b>-5.1%</b>
<b>EBITDA (%)</b>	<b>29.9%</b>	<b>25.4%</b>		<b>30.7%</b>	
Depreciation	5	4		11	
Other Income	2	3		3	
<b>EBIT</b>	<b>77</b>	<b>54</b>	<b>42.7%</b>	<b>77</b>	<b>0.3%</b>
<b>EBIT (%)</b>	<b>28.7%</b>	<b>25.1%</b>		<b>27.8%</b>	
Interest	0	0		0	
<b>Profit Before Tax</b>	<b>77</b>	<b>54</b>	<b>43.2%</b>	<b>76</b>	<b>0.3%</b>
Tax	26	19		25	
<b>Net Profit</b>	<b>51</b>	<b>35</b>	<b>46.7%</b>	<b>51</b>	<b>-0.3%</b>
<b>Net Profit (%)</b>	<b>19.0%</b>	<b>16.1%</b>		<b>18.5%</b>	
Other Comprehensive Income	-6	-9		-6	
<b>Total Comprehensive Income</b>	<b>45</b>	<b>25</b>	<b>75.0%</b>	<b>45</b>	<b>0.1%</b>
<b>EPS</b>	<b>3.08</b>	<b>2.11</b>		<b>3.1</b>	

\*Revenue from operations is net of GST/Excise duty \*\*Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories







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NOCIL LIMITED

# Company Overview





# NOCIL in a Snapshot



*Part of Arvind Mafatlal Group*

Largest Rubber Chemicals Manufacturer in India

*Expertise in Rubber Chemical Business over 4 decades*

State of the Art, Innovative, Sustainable & Competitive Technologies

*Wide range of Rubber Chemicals to suit customer needs*

Long Term Business Relationships with Tyre Majors (Both Domestic & International)

*Strong Marketing & Distribution Service Network*

Certified for Quality and Health/Safety/Environment.

*Environment Friendly Processes*

*Awarded Responsible Care Logo by Indian Chemical Council*





# Management Team



## 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 nearly 39 years in various technical capacities

## Mr. R. M. Gadgil - President - Marketing

- B Tech in Chemical Engineering from IIT Mumbai
- Associated with the Company in various marketing capacities for nearly 36 years

## Mr. P. Srinivasan – Chief Financial Officer

- Chartered Accountant with over 29 years of experience
- Associated with the Company since 2005

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

- Post Graduate & Ph.D. in Science
- Associated with the company for nearly 34 years in various R&D capacities

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

- Ph.D. in Analytical Chemistry with 26 years of experience
- Associated with the company since 2007

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

- Chemical Engineer with Diploma in Management Studies
- Associated with the company for nearly 33 years





# Manufacturing facilities

## 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

Commercialized operation in March 2013

Located about 45 kms from Bharuch, Gujarat

Location has synergistic Chemicals & Petrochemicals industry and excellent connectivity with Dahej & Hazira Port

Fully automated continuous process plant developed completely with in-house technology





# Products & their Usage

1

## ACCELERATORS

Increase the speed of vulcanization to improve productivity

2

## ANTI-DEGRADANTS/ ANTI-OXIDANTS

An ingredient in rubber compounds which deters the ageing or inhibits degradation due to oxygen attack of rubber products thereby enhancing service life

3

## PRE VULCANIZATION INHIBITOR

Prevents premature vulcanization of synthetic & natural rubbers during processing thus reducing scrap

4

## POST VULCANIZATION STABILIZER

Improves Thermal Stability of cross links in rubber products

**One Stop Shop with Wide Range to suit Market Requirements**



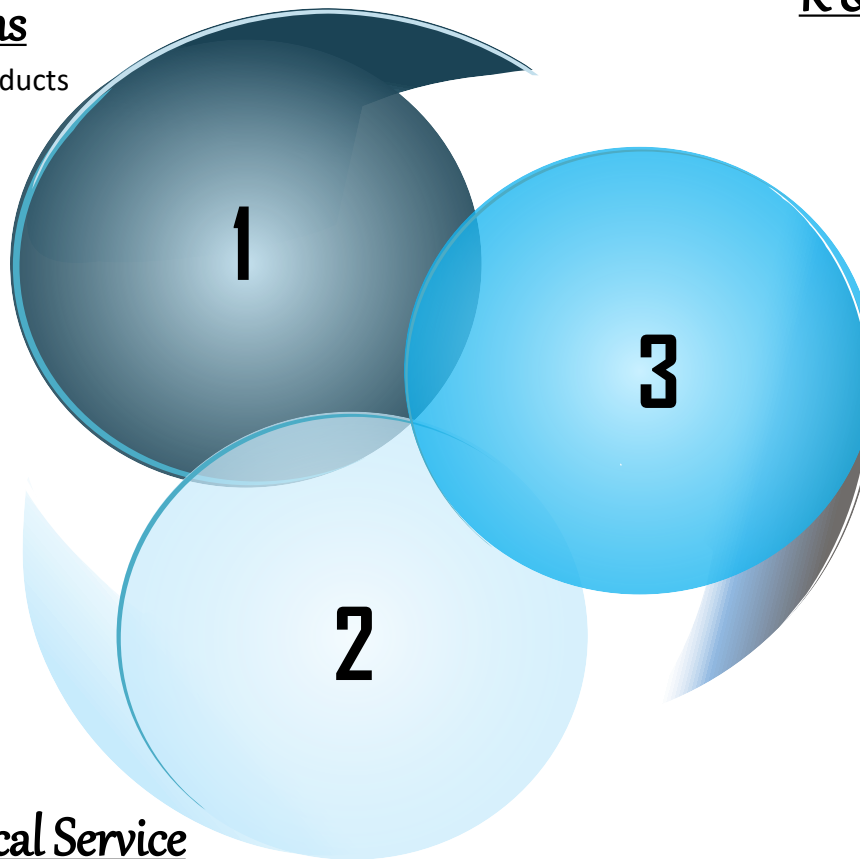




# Our Value Proposition

## Products & Product Forms

- Wide Range of Rubber Chemical Products
- Varied Product Forms



## R & D and Quality Assurance

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



## Sales, Marketing & Technical Service

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

**Long Term Relationships with Customers over 40 Countries**





# R&D and Total Quality Management



## Research & Technology Development

- NOCIL's Research Centre is recognized by Ministry of Science and Technology, Government 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 9001:2008
- ISO 14001:2004
- BS OHSAS 18001:2007
- ISO/IEC 17025:2005
- ISO/TS16949:2009
- IATF
- NABL
- Responsible Care by Indian Chemical Council





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NOCIL LIMITED

# Industry Potential

Our Positioning





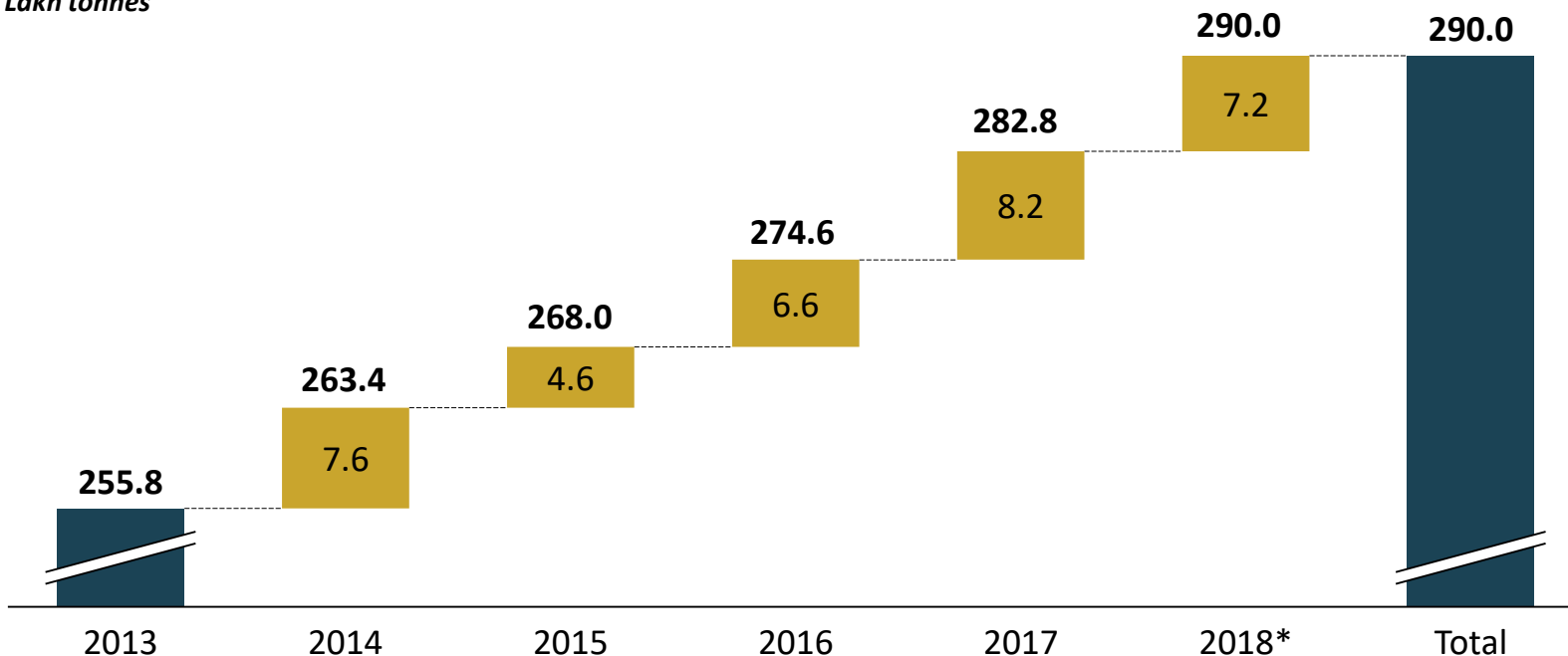


# Positive Outlook



## Global Rubber Consumption (Natural + Synthetic)

*In Lakh tonnes*



**Rubber Chemicals constitute ~3% - ~4% of the Rubber Consumption**  
**Every year ~40k additional demand for Rubber chemicals is created**

\*Annualised data

Source : Rubber Statistical Bulletin, April - June 2018 edition

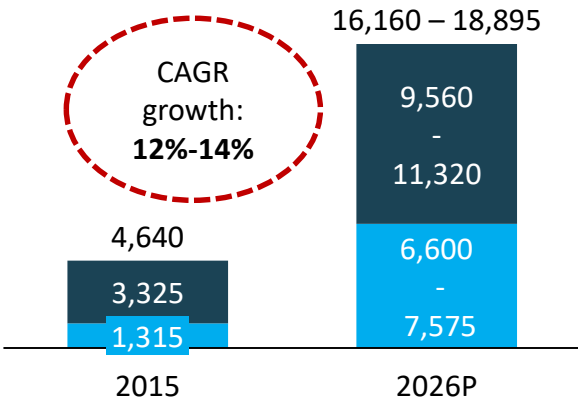


# Huge Growth Opportunities

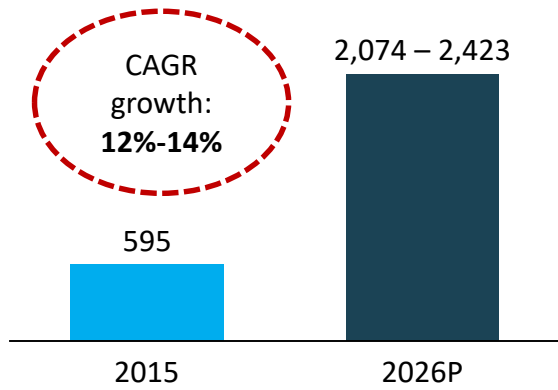


## Growth Expectations (Rs. Bn)

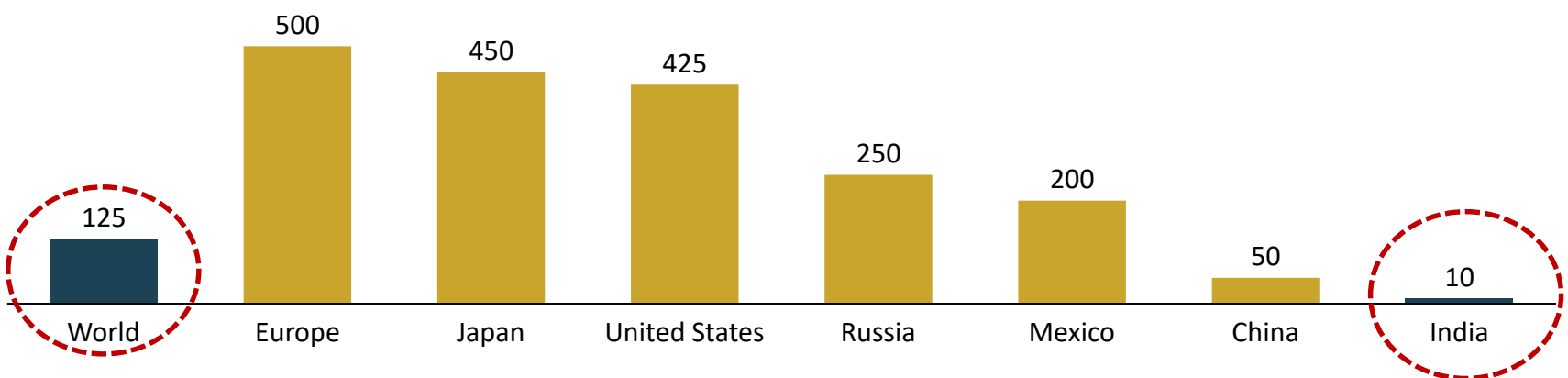
**Automotive Industry**



**Tyre Industry**



## PV Car Penetration Levels Per 1,000 Population





# Growth Drivers

01



**High performance tyres & extended life, Automotive & Industrial products will increase rubber processing chemical loadings**

02



**Stringent environmental compliance and cost increase in China leading to Better level playing field**

03



**Rising Income levels & increase in Motor vehicle ownership rates, especially in developing nations would need additional consumption of rubber processing chemicals**

04



**Global demand for rubber processing chemicals continue to forecasted to grow around 4% - 5% for next 10 years**





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*FUTURE Ready*

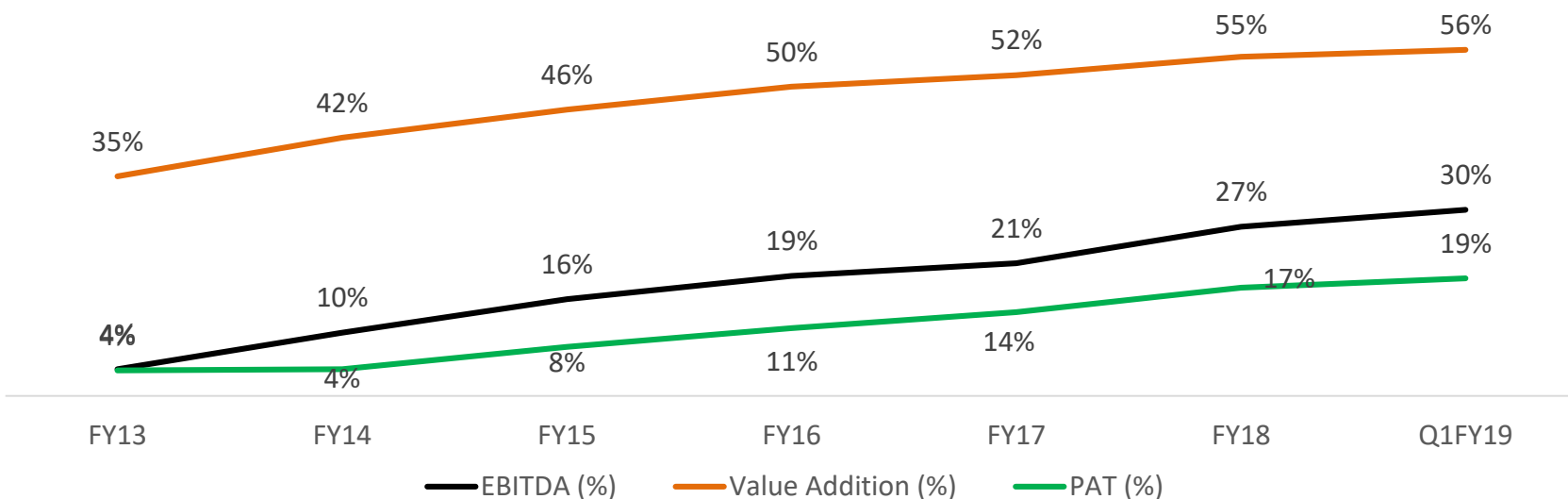




# Technology & Speciality Chemicals – Moving up the curve



## Overall Improvement in Margin Profile of the Company



- ✓ Strong Process R&D Capabilities leading to significant reduction in cost of production
- ✓ State of the art in-house technology
- ✓ Focused attention on environmental issue
- ✓ Strong position in High-value added products
- ✓ Operating Leverage playing out
- ✓ Further scope of multiple expansion possible



# Key Strengths





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# Annual Financials



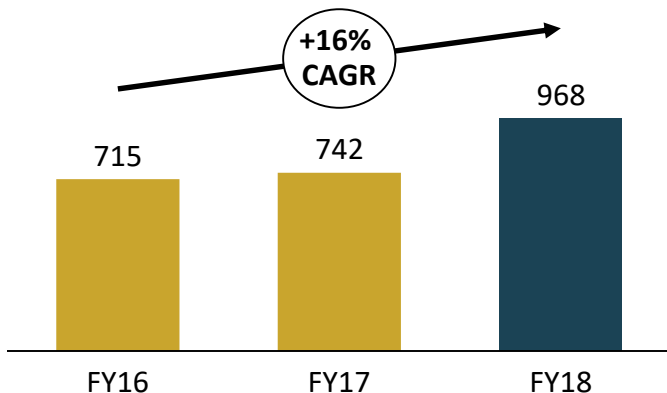


# Consistent Annual Performance

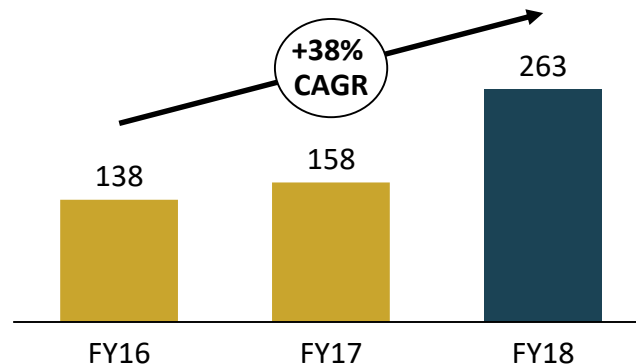


Rs. In Crores

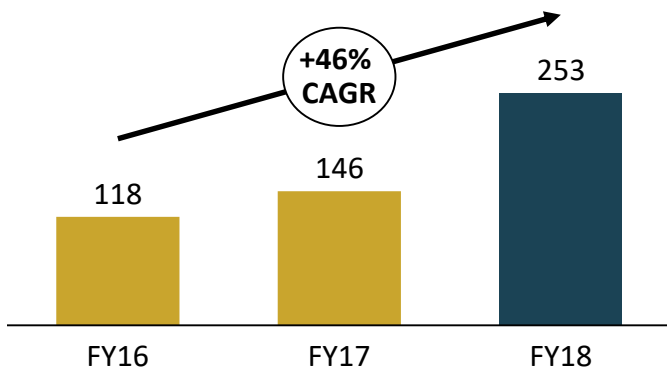
## Revenue from Operations\*



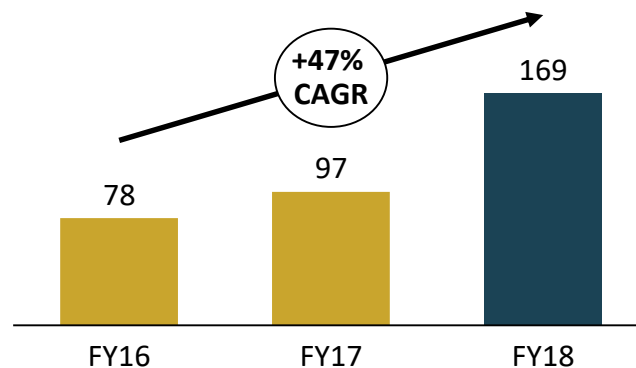
## Operating EBITDA



## PBT



## PAT\*\*

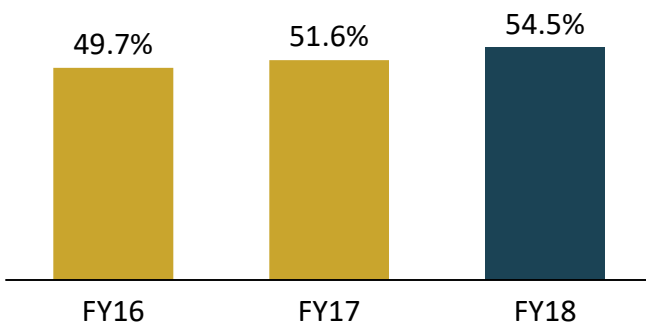




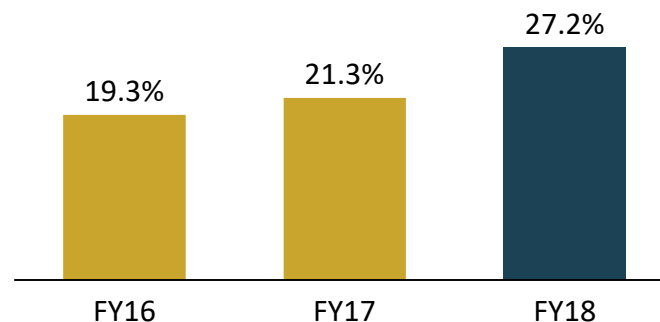


# Improving Margin Trend

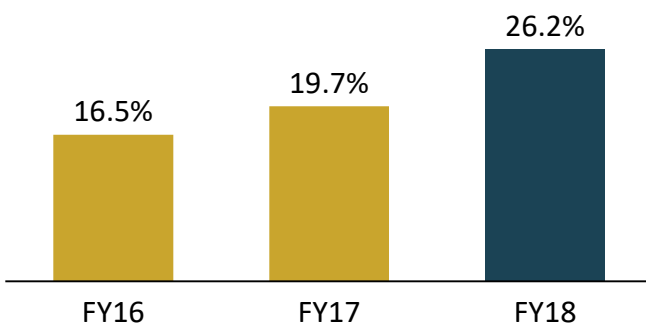
## Value Addition\*



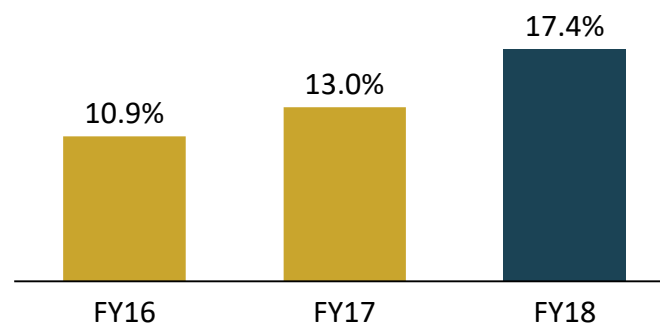
## Operating EBITDA Margin



## PBT Margin



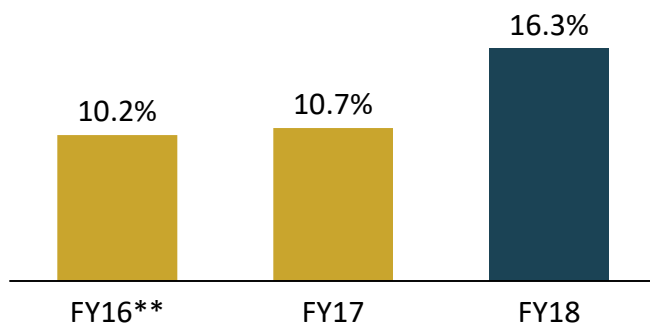
## PAT Margin\*\*



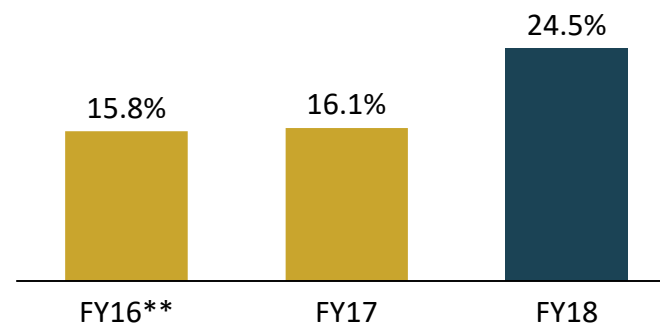


# Key Performance Ratios

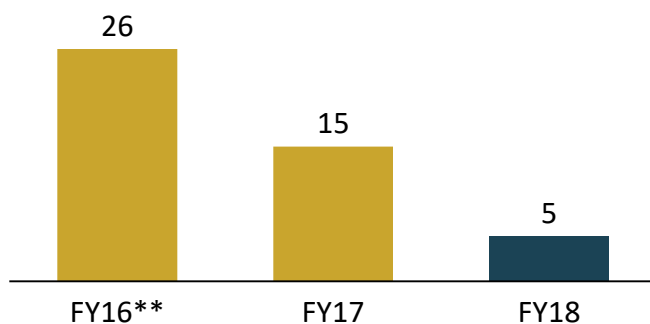
## ROE



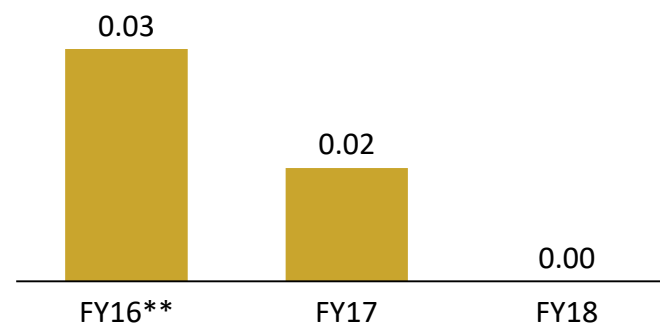
## ROCE



## Total Debt\* (Rs. In Crores)



## Total Debt / Equity (x)





## Statement of Profit &amp; Loss - Annually



Particulars (Rs. In Crores)	FY18	FY17
<b>Revenue from Operations*</b>	<b>968</b>	<b>742</b>
Cost of Material Consumed	444	330
Purchase of Stock-in-trade	3	3
Changes in Inventories	-7	26
<b>Value Addition**</b>	<b>527</b>	<b>383</b>
<b>Value Addition (%)</b>	<b>54.5%</b>	<b>51.6%</b>
Employee Expenses	67	61
Other Operating Expenses	197	164
<b>EBITDA</b>	<b>263</b>	<b>158</b>
<b>EBITDA (%)</b>	<b>27.2%</b>	<b>21.3%</b>
Other Income	14	9
Depreciation	23	19
<b>EBIT</b>	<b>254</b>	<b>148</b>
<b>EBIT (%)</b>	<b>26.3%</b>	<b>20.0%</b>
Interest	1	2
<b>Profit Before Tax</b>	<b>253</b>	<b>146</b>
Tax	84	49
<b>Net Profit</b>	<b>169</b>	<b>97</b>
<b>Net Profit (%)</b>	<b>17.4%</b>	<b>13.1%</b>
Other Comprehensive Income	-7	63
<b>Total Comprehensive Income</b>	<b>161</b>	<b>160</b>
<b>EPS</b>	<b>10.27</b>	<b>5.98</b>

Revenue from operations is net of GST/Excise duty \*\*Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories  
Financials are on Standalone basis and as per Ind AS





# Balance Sheet



Particulars (Rs. In Crores)	March'18	March'17	Particulars (Rs. In Crores)	March'18	March'17
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>Non-Current Assets</b>	<b>652</b>	<b>741</b>	<b>EQUITY</b>	<b>1,037</b>	<b>905</b>
Property, Plant and Equipment	499	514	Equity Share Capital	164	164
Capital work-in-progress	39	3	Other Equity	873	741
Investment Property	0	1			
Intangible Assets	3	4	<b>Non-Current Liabilities</b>	<b>116</b>	<b>124</b>
Investment in Subsidiary			Financial Liabilities		
Financial Assets			(i) Borrowings	-	5
(i) Investments in Wholly owned subsidiary	25	25	Provisions	15	16
(ii) Other Investments	52	176	Deferred Tax Liabilities (Net)	100	103
(ii) Other financial assets	4	4	Other non-current liabilities	0	0
Non-current tax assets	4	6			
Other non-current Assets	25	9	<b>Current Liabilities</b>	<b>179</b>	<b>119</b>
<b>Current Assets</b>	<b>680</b>	<b>407</b>	Financial Liabilities		
Inventories	155	114	(i) Borrowings	-	-
Financial Assets			(ii) Trade Payables	114	81
(i) Investments	225	0	(iii) Other Financial Liabilities	37	26
(ii) Trade receivables	243	167	Other Current Liabilities	21	8
(iii) Cash and cash equivalents	24	105	Provisions	4	4
(iv) Other bank balances other than cash and cash equivalents	4	8	Current Tax Liabilities (Net)	3	0
(v) Other Financial Assets	0	1			
Other Current Assets	30	12	<b>TOTAL</b>	<b>1,332</b>	<b>1,148</b>
<b>TOTAL</b>	<b>1,332</b>	<b>1,148</b>			

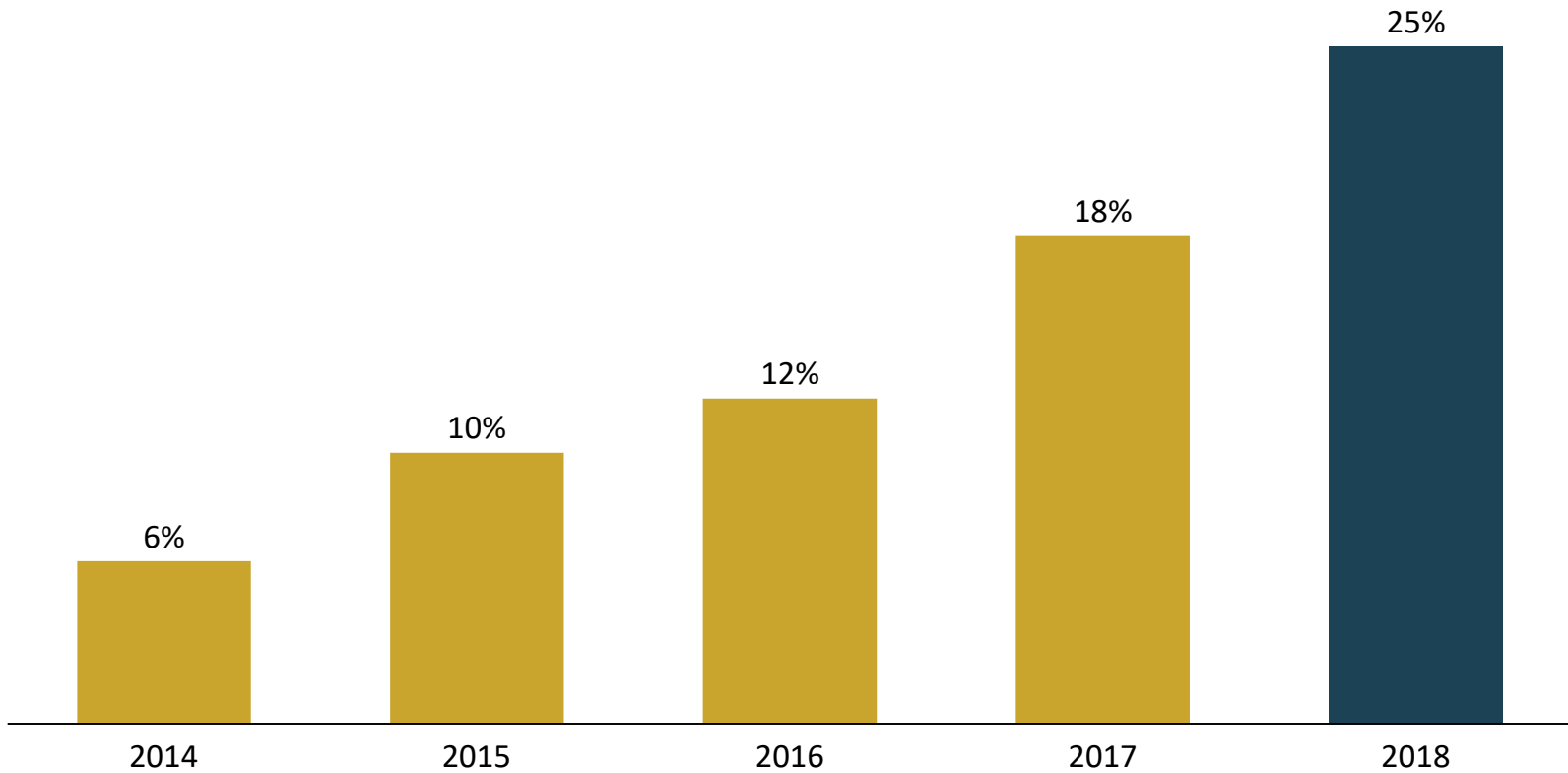




# Consistent Dividend Record



As % of Face Value (Rs. 10)





*For further information, please contact:*

**Company :**

**NOCIL Ltd.**

CIN: L99999MH1961PLC012003

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**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

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