

ORIENTAL CARBON & CHEMICALS LIMITED

[Corporate Identity Number (CIN) - L24297WB1978PLC031539]
Regd. Office : "Duncan House", 31, Netaji Subhas Road, Kolkata - 700 001

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

E-mail : occlkol@gmail.com, investorfeedback@occlindia.com, Website : www.occlindia.com

November 02, 2018

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

Scrip Symbol/Code: NSE – OCCL & BSE-506579

Dear Sir/Madam,

Re: Investor Presentation for the quarter ended 30th September, 2018

Pursuant to the provision of the Listing Regulations, 2015 enclosed please find herewith a copy of the Investor Presentation for the quarter ended 30th September, 2018.

Thanking you,

Yours Faithfully,
ORIENTAL CARBON & CHEMICALS LTD.



Pranab Kumar Maity
Company Secretary

Encl: a/a



ORIENTAL CARBON & CHEMICALS LTD

Providing Solutions...

...Creating Innovations



Investor Presentation – November 2018

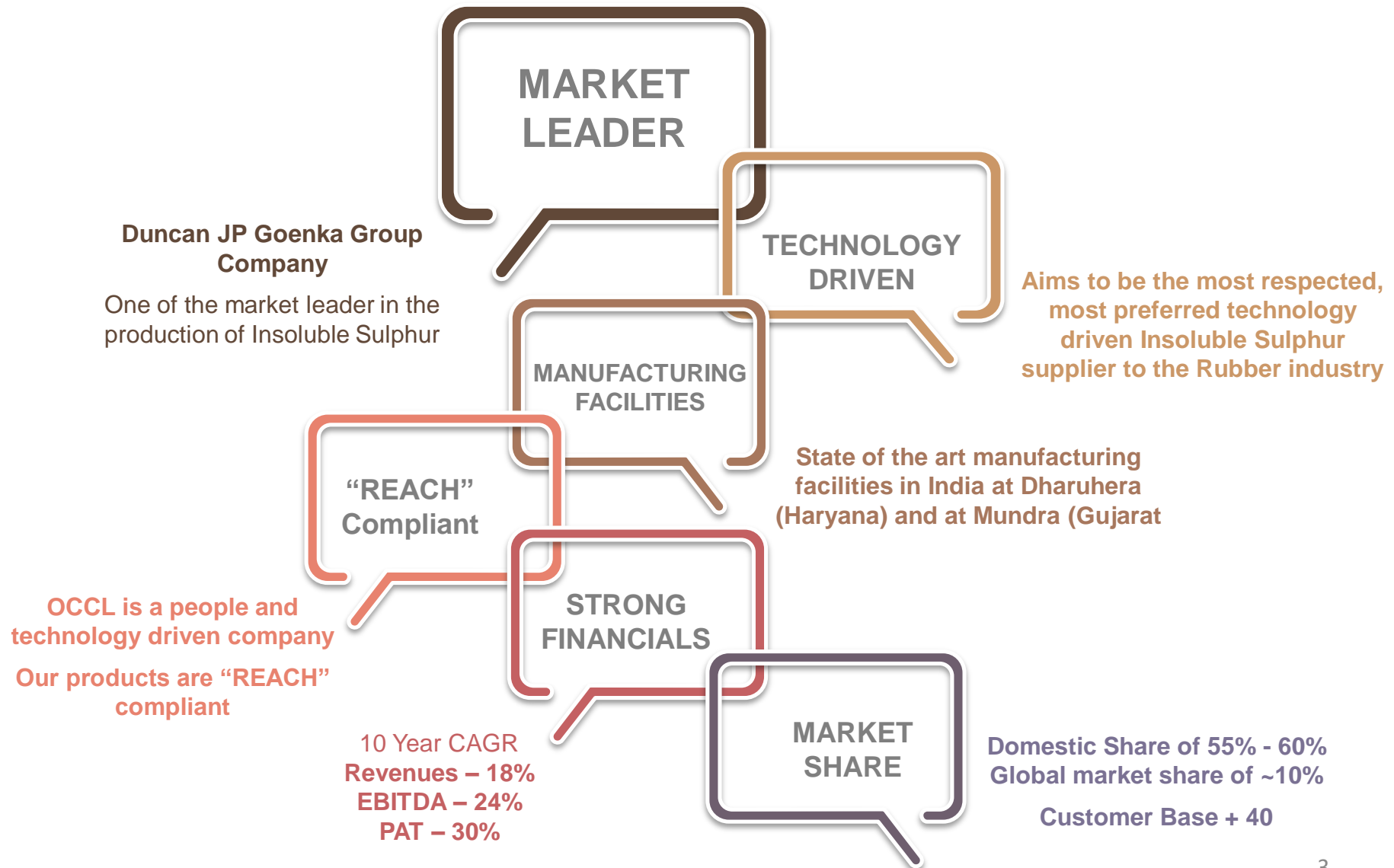
Safe Harbor

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Company Overview



The background of the slide is a grayscale, close-up photograph of a wet, textured surface, possibly a metal grate or a similar industrial component. The surface is covered in numerous small, glistening water droplets, creating a bokeh effect in the background. The lighting is dramatic, highlighting the textures and the reflective properties of the water.

KEY STRENGTHS

Key Strengths

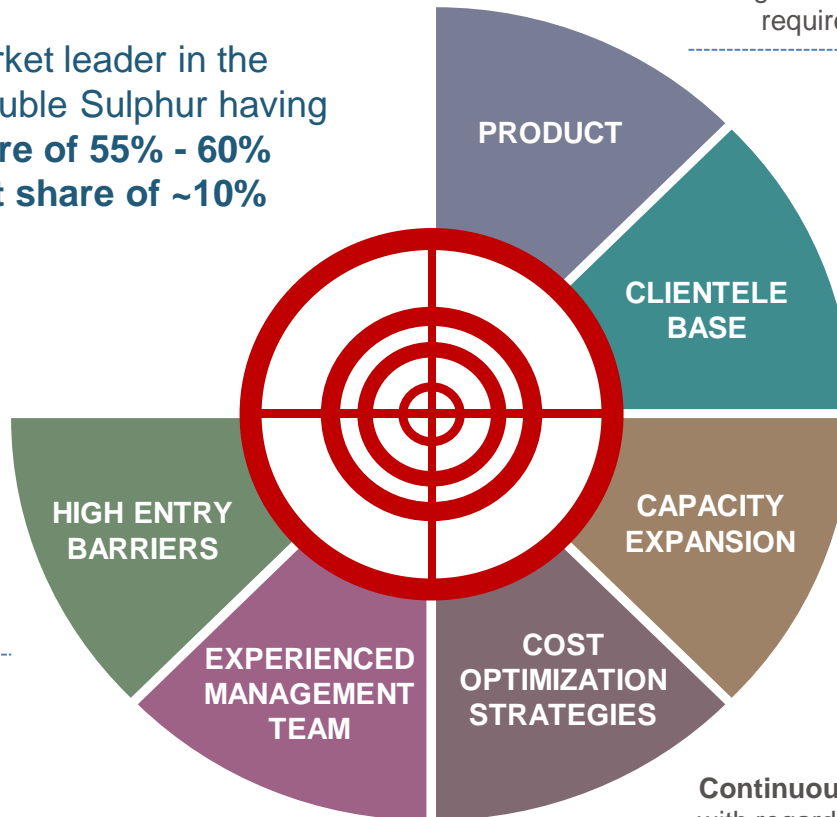
One of the market leader in the production of Insoluble Sulphur having **Domestic Share of 55% - 60%** **Global market share of ~10%**

Niche Product Portfolio of Insoluble Sulphur, Sulphuric Acid & Olems offered in various grades to satisfy diverse compounding requirements majorly for Tire industry

The Company has **Strong Relationships with over 40+ Customers** having presence in 21 countries across the globe

Continuous Expansion of Capacities of Insoluble Sulphur have taken place from 3,000 MT in 1994 to 34,000 MT currently

Continuous Focus on Cost Optimizations with regards to Raw Material, Freight, Power and other Fixed Costs



High Entry Barriers with regards to

- Customer Approvals
- Technology
- Capital Intensive

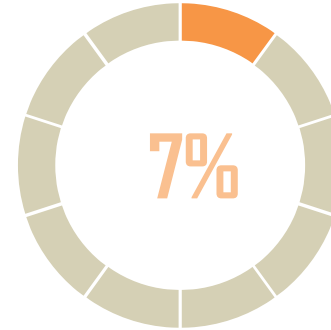
Have an Experienced Management Team with over **3 decades of experience in this field**

We deliver a Niche Product Portfolio...



INSOLUBLE SULPHUR

- **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 & OLEUMS

- **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**
 - Grades of exact purity : Storage battery, rayon, dye, Detergent and pharmaceutical industries
 - Grades of less specifications : Steel, heavy chemical and superphosphate industries

...With Strong Customer Relationship...



...Having Presence in 21 Countries...



...across the globe

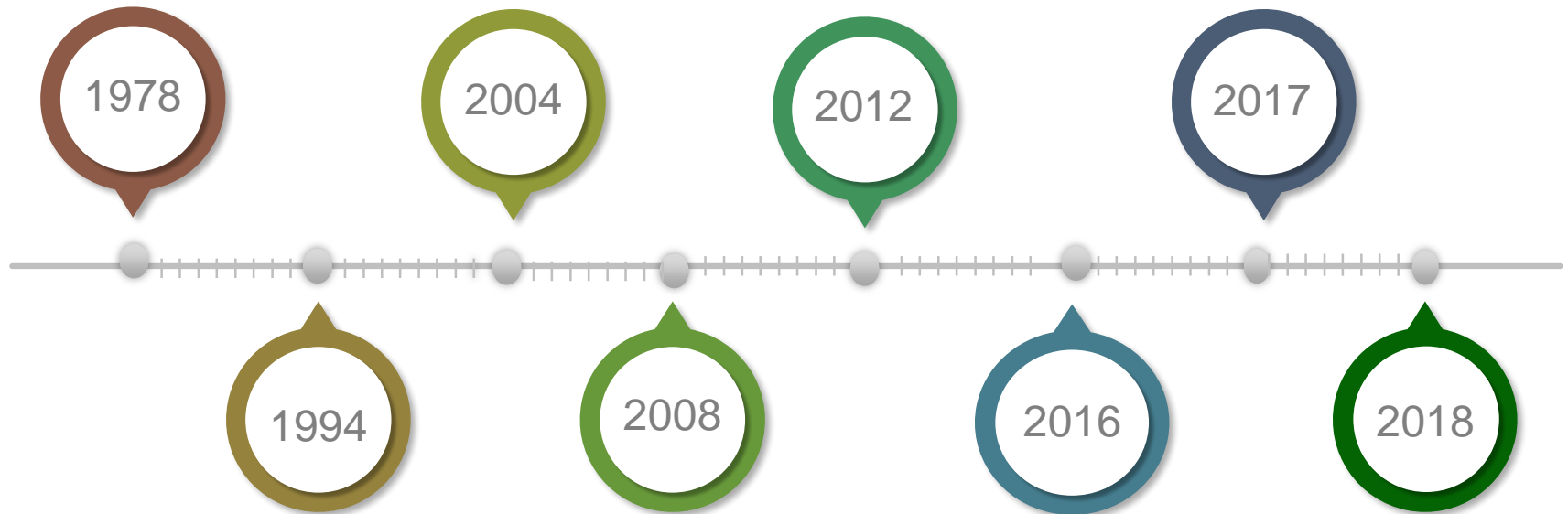
We have Continuously Expanded...

Dharuhera Plant
 Incorporated as Dharuhera Chemicals Ltd to manufacture Sulphuric Acid of 30,000 MTPA

Dharuhera Plant – EOU
 Set up 2nd line of Insoluble Sulphur with capacity of 4,000 MTPA

Mundra Plant – Phase I & II
 Set up Insoluble Sulphur Capacity of 11000 MTPA
 Acquired 50% Equity shares of Schrader Duncan Ltd.

Mundra Plant
 Increase Insoluble Sulphur Capacity by 11,000 MTPA
 Phase I – 5,500MT (2017) – Commenced Production



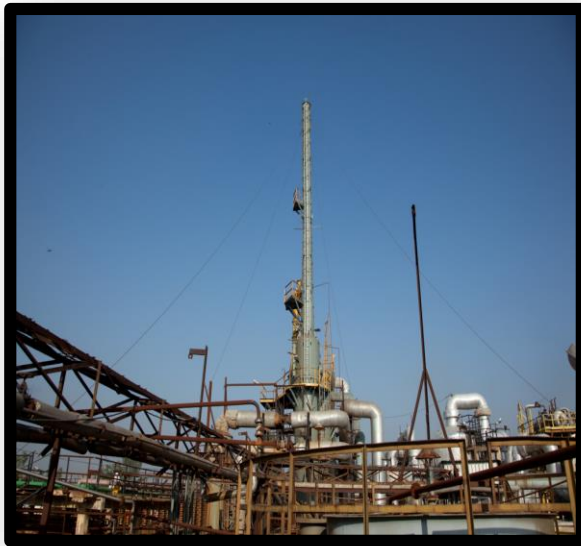
Dharuhera Plant
 Insoluble sulphur operations started with capacity of 3,000 MTPA

Debottlenecking Capacity Increase
 Capacity increased to 12,000 MTPA

Dharuhera + Mundra
 Insoluble Sulphur: 23,000 MTPA
 Sulphuric Acid: 46,000 MTPA
 Expansion of 11,000 MTPA at Mundra in 2 Phases is underway

Mundra Plant
 Phase II – 5,500MT – Commenced Production in July 2018

...Having State-of-the-Art...



Product name	Annual Capacity (MT)	Location	No. Of Lines
Insoluble Sulphur	12,000	Dharuhera (Haryana)	2
Insoluble Sulphur	22,000	SEZ Mundra (Gujarat)	4
Sulphuric Acid / Oleum	46,000	Dharuhera (Haryana)	1

...Manufacturing Facilities

We use Cost Optimization Strategies

Low 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

Logistical Advantage

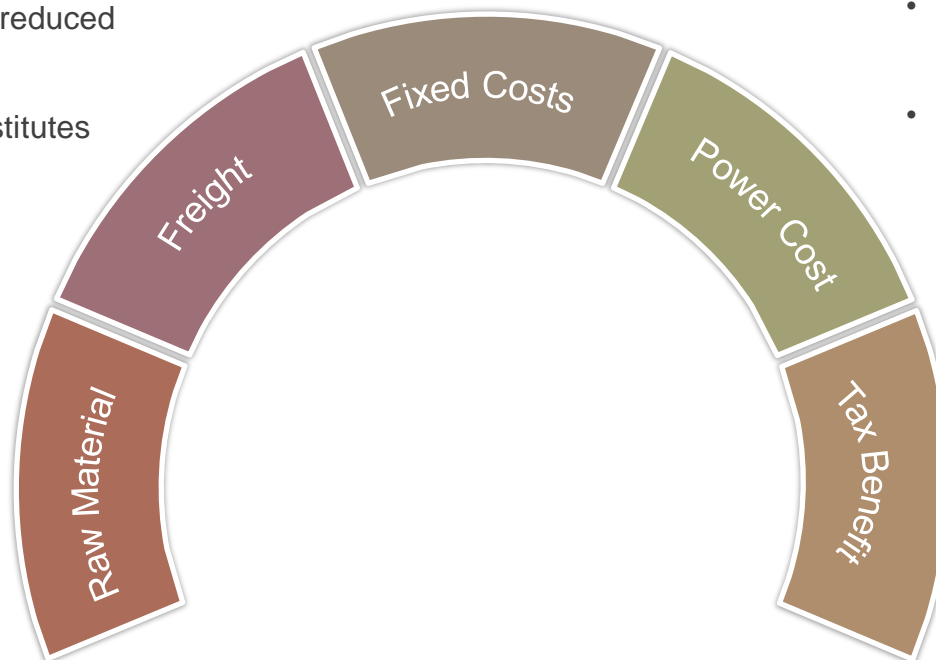
- Presence at the Port gives Location Advantage of reduced Logistic & Freight Cost
- ~67% of the sales constitutes Exports

Savings in Power Cost

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

Key Raw Materials

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



Tax Benefit

- SEZ location of Mundra Plant - Income Tax Exemption benefit

Experienced 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 26 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

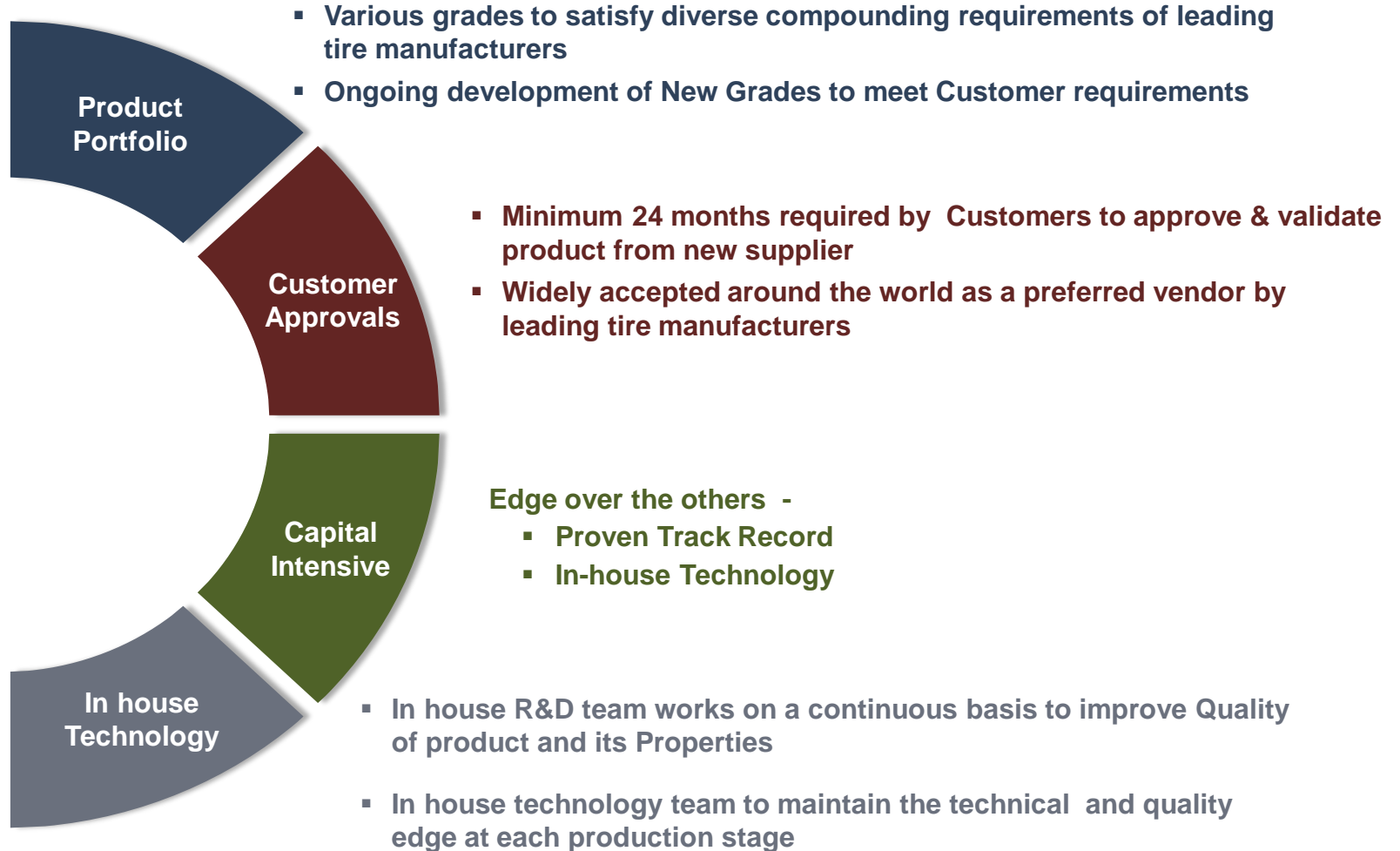
Mr. Vijay Sabbarwal: President (Operations)

- 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 20 years of experience in International business
- Responsible for marketing of Insoluble Sulphur & increasing market share of Diamond Sulf overseas

Having High Entry Barriers



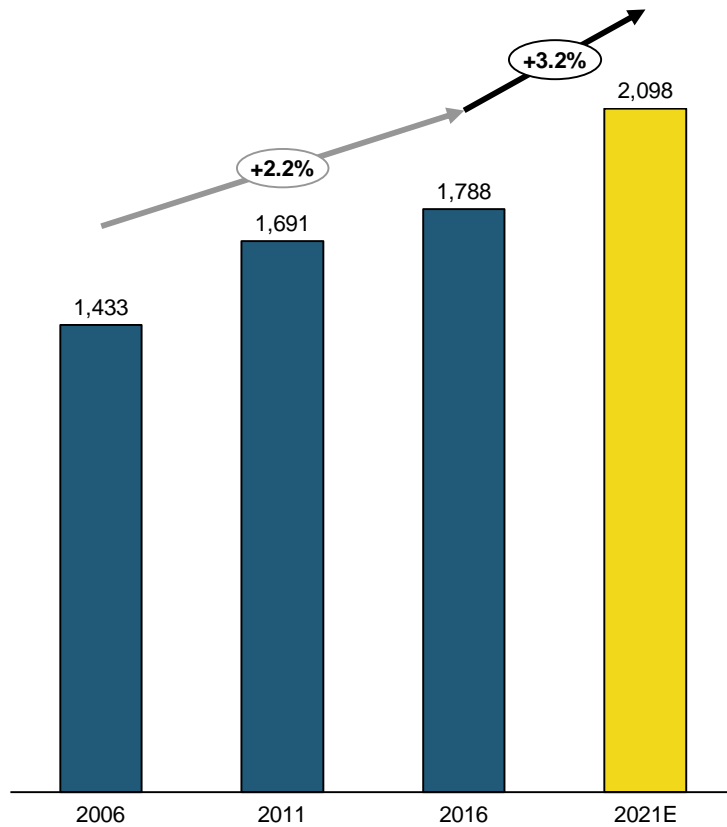
OCCL has successfully implemented its In-house Technology which has been approved by all our Customers across the globe

The background of the slide is a grayscale, high-magnification photograph of a microchip. The intricate circuitry, including various traces and components, is visible. The image has a soft, bokeh-like effect, with light reflecting off the surfaces of the chip, creating a sense of depth and complexity.

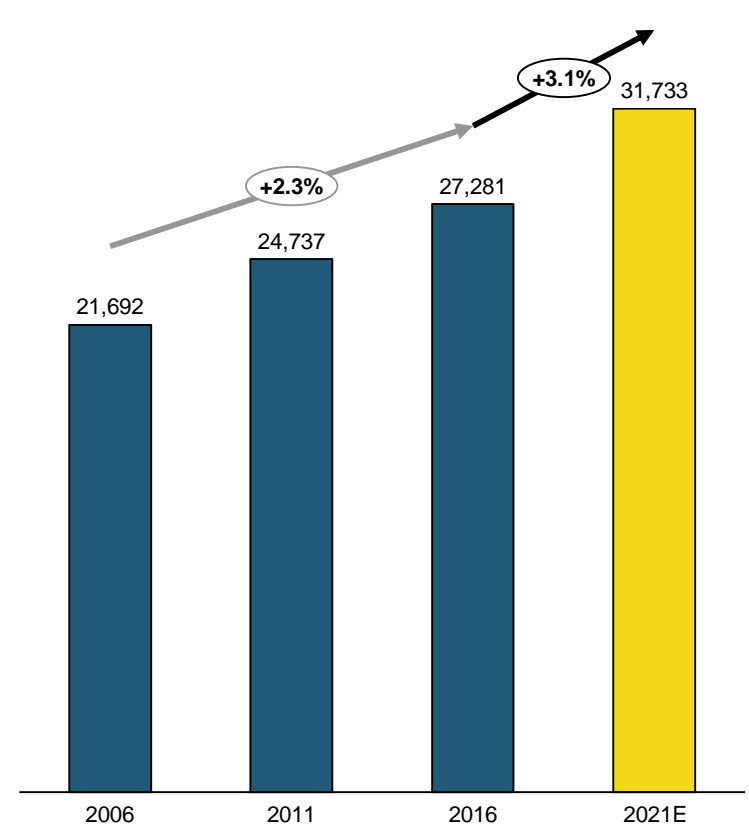
KEY GROWTH OPPORTUNITIES

Global Tire Industry

Tire Production (mn units)



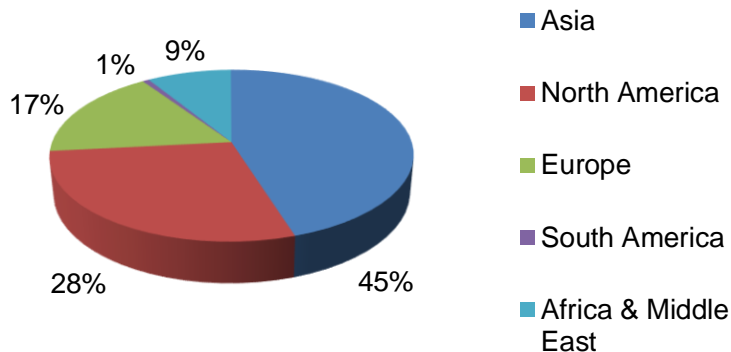
Tire Rubber Consumption (‘000 tonnes)



Insoluble Sulphur - Demand Forecast

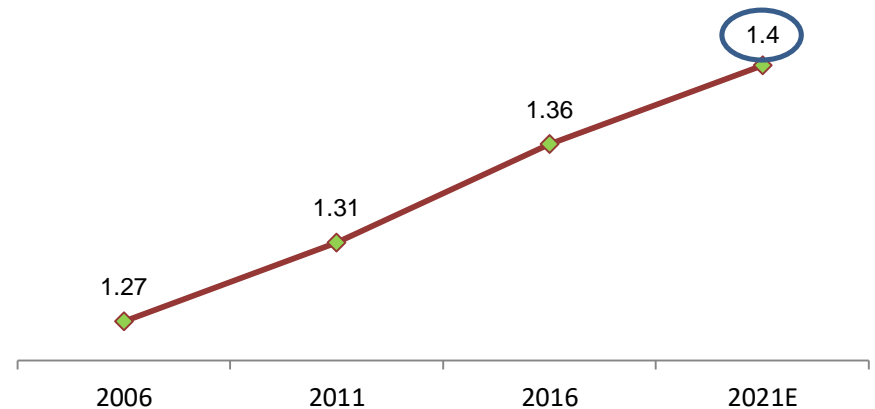
Geographical Breakup

\$22 bn Investment

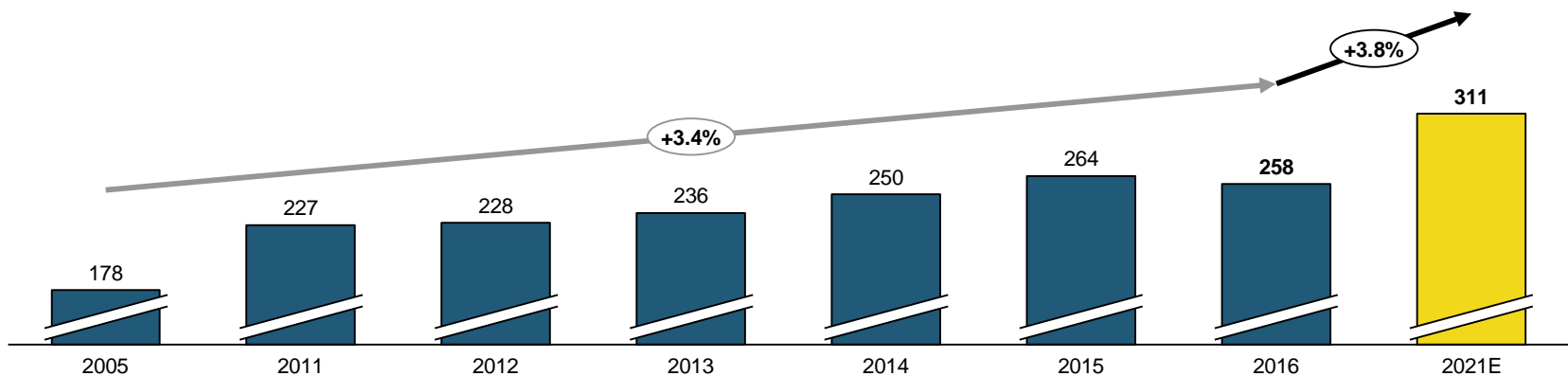


Radialisation Effect

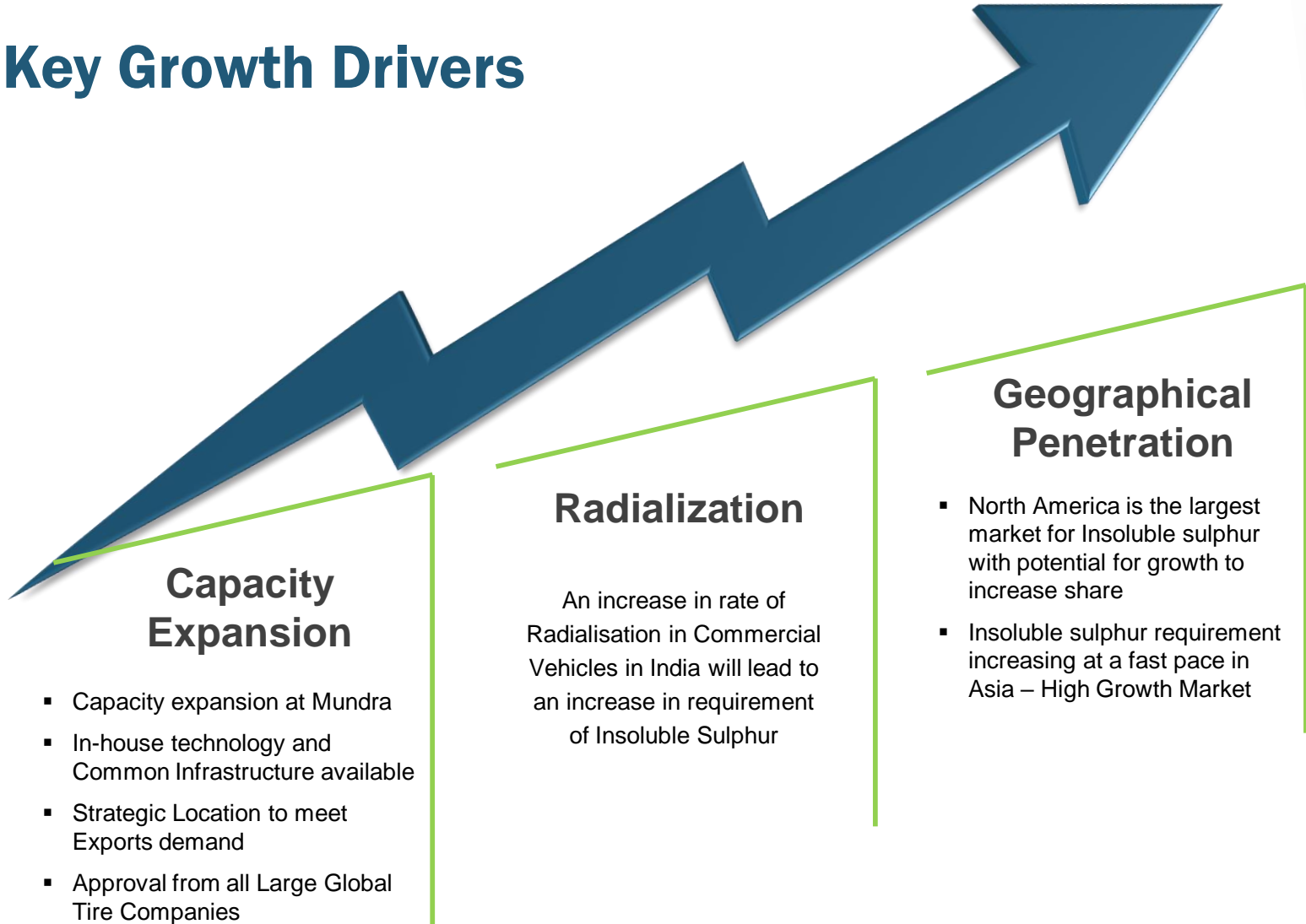
Insoluble Sulphur to Tire Rubber Ratio



*Insoluble Sulphur Demand ('000 tonnes)



Key Growth Drivers



Capacity Expansion

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

Radialization

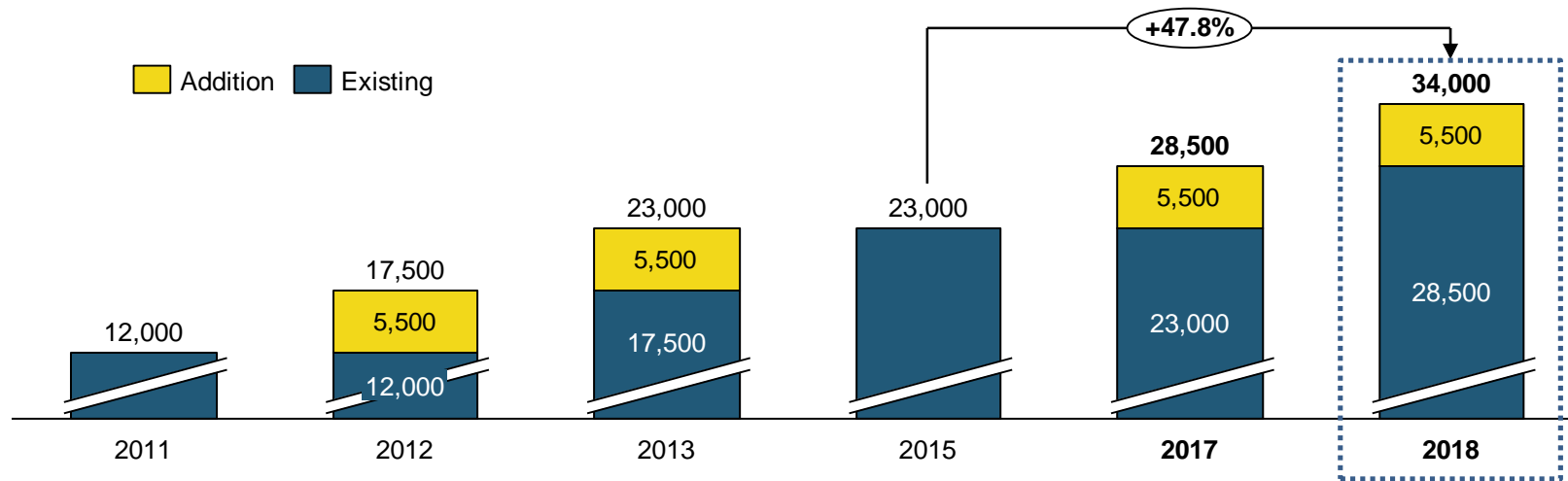
An increase in rate of Radialisation in Commercial Vehicles in India will lead to an increase in requirement of Insoluble Sulphur

Geographical Penetration

- 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

Increase in Automation in Tire Industry and Higher Performance Expectation from Tires will also drive the demand of Insoluble Sulphur

Capacity Expansion....ready for future growth



Brownfield Expansion

To cater to the Growth in Insoluble Sulphur Demand

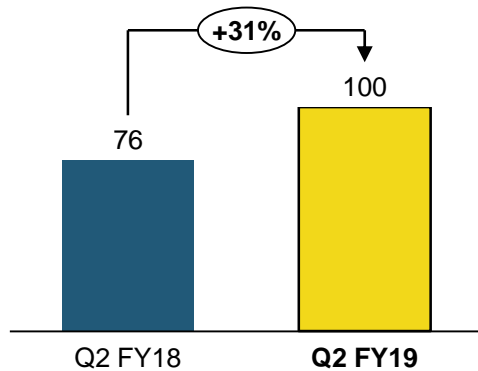
- Large Tire manufacturers expanding their business in Asia – High Growth Market
- Grabbing opportunities of increasing Radialisation in India
- Strong R&D and in house Technology to support future expansion
- Increase in market share in the Domestic & International market
- Increase presence in North American Market
- Increase from Natural Growth of Existing Customers

The background of the slide is a grayscale, high-contrast photograph of a wet, textured surface, possibly a roof or a large piece of machinery. The surface is covered in numerous water droplets of various sizes, which catch the light and create a bokeh effect. The texture appears to be made of overlapping, curved panels or tiles. The overall mood is industrial and clean.

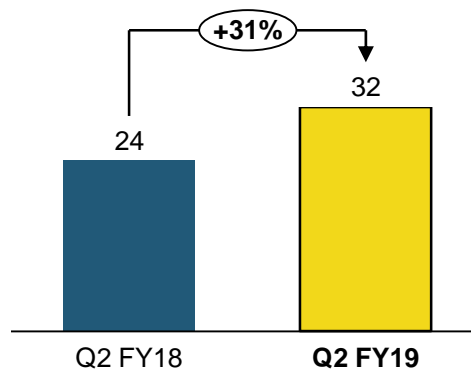
FINANCIALS

Result Highlights: Q2 FY19

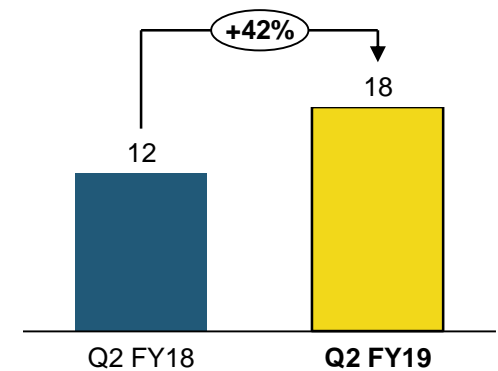
Revenues[^] (Rs. Crs)



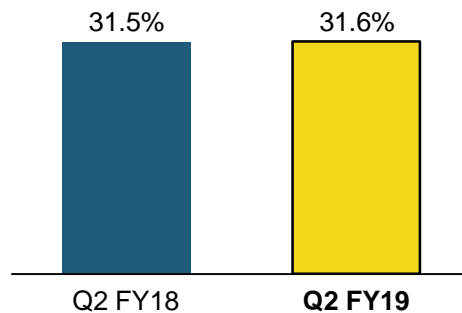
EBITDA[^] (Rs. Crs)



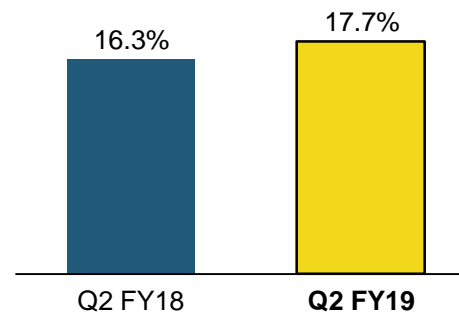
PAT (Rs. Crs)



EBITDA[^] (%)



PAT (%)

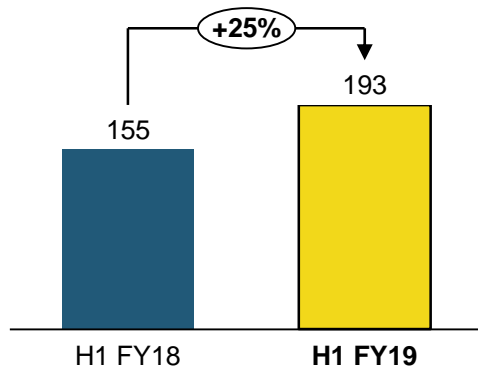


[^]incl. Other Income, net of excise

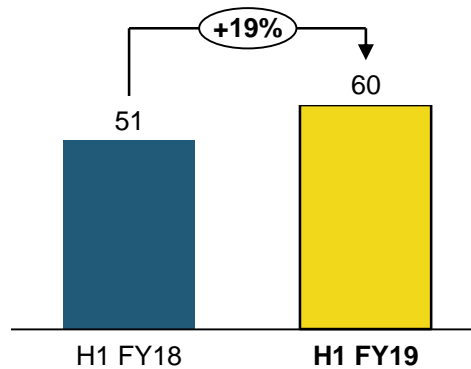
The Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS)

Result Highlights: H1 FY19

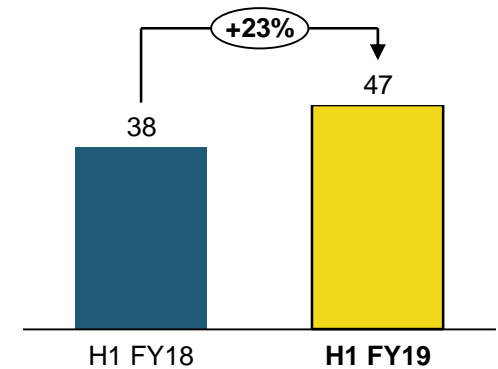
Revenues[^] (Rs. Crs)



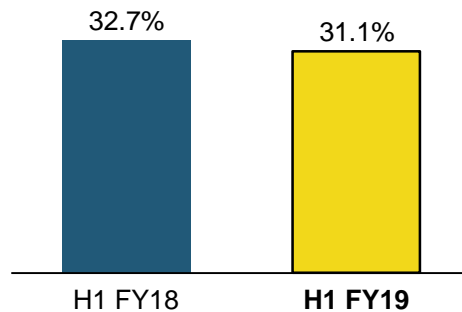
EBITDA[^] (Rs. Crs)



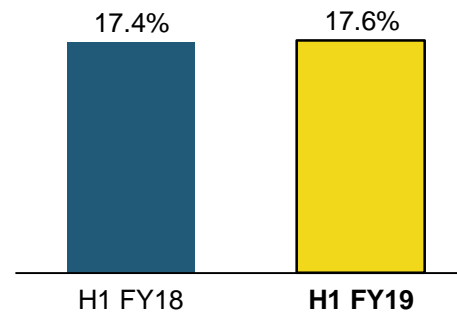
PAT (Rs. Crs)



EBITDA[^] (%)



PAT (%)



[^]incl. Other Income, net of excise

The Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS)

Profit & Loss Statement – Standalone

Particulars (Rs. Crs)	Q2 FY19	Q2 FY18	Y-o-Y	H1 FY19	H1 FY18	Y-o-Y
Total Income from Operations[^]	99.7	76.1	31%	193.3	154.7	25%
Raw Material*	25.6	15.4		47.1	28.6	
Employee Expenses	11.1	9.8		22.1	19.6	
Other Expenses	31.5	26.9		63.9	55.9	
EBITDA	31.6	24.0	31%	60.1	50.6	19%
EBITDA Margin (%)	31.6%	31.5%		31.1%	32.7%	
Depreciation	4.7	4.1		8.9	8.2	
EBIT	26.8	19.9	35%	51.2	42.4	21%
EBIT Margin (%)	26.9%	26.2%		26.5%	27.4%	
Finance Cost	2.1	2.0		3.8	3.9	
Profit before Tax	24.7	17.9	38%	47.4	38.4	23%
Tax	7.1	5.5		13.3	11.5	
Profit After Tax	17.7	12.4	42%	34.1	27.0	26%
PAT Margin (%)	17.7%	16.3%		17.6%	17.4%	
Other Comprehensive Income	0.2	1.7		-0.1	1.6	
TOTAL INCOME	17.9	14.1		34.0	28.5	
EPS	17.15	12.07		33.07	26.21	

The Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS)

*Total Raw material cost incl. change in Inventories

[^]incl. Other Income, net of excise

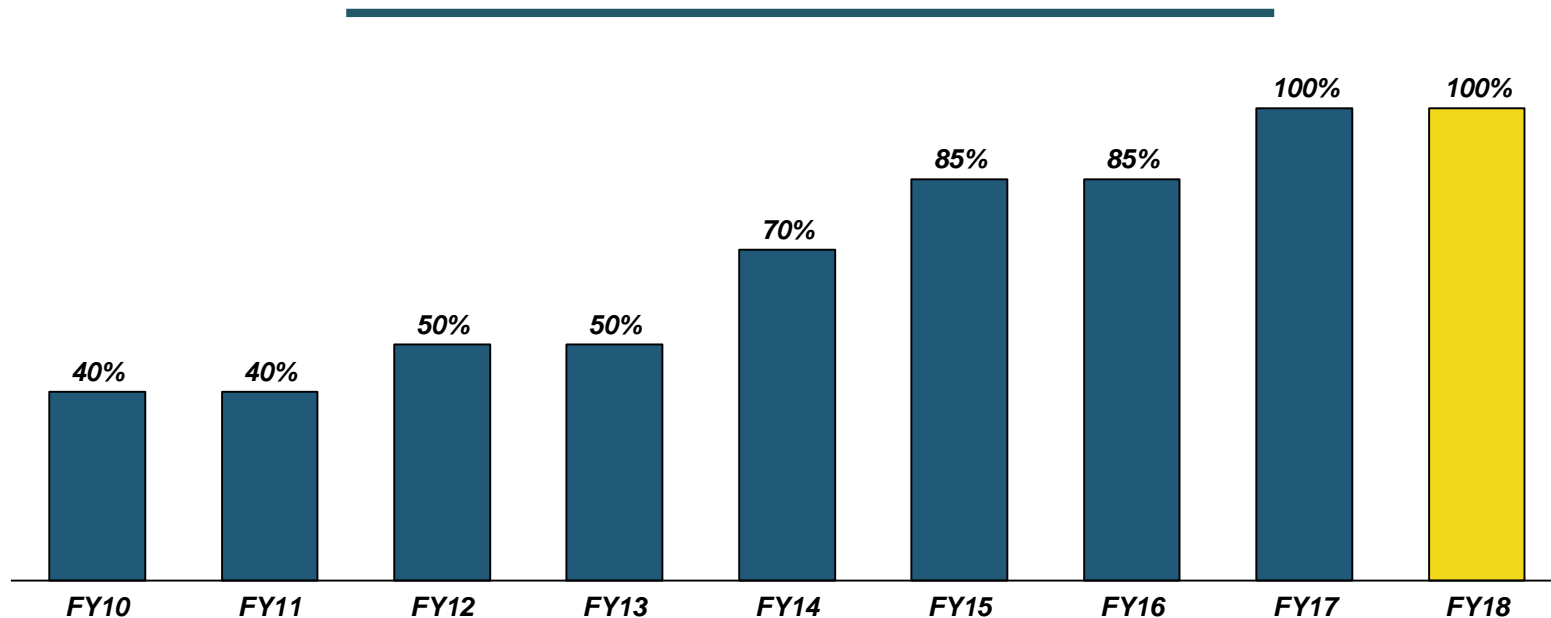
Balance Sheet– Standalone

EQUITY & LIABILITIES (Rs. Crs.)	Sept-18	Mar-18
Equity Share Capital	10.3	10.3
Other Equity	402.8	377.5
Total Equity	413.1	387.8
Financial Liabilities		
Borrowings	71.8	68.7
Other Financial Liabilities	0.3	0.3
Provisions	2.6	2.4
Deferred Tax Liabilities (Net)	23.7	20.6
Total Non-Current Liabilities	98.3	91.9
Financial Liabilities		
Borrowings	23.7	29.0
Trade Payables	19.6	21.2
Other Financial Liabilities	42.3	38.9
Other Current Liabilities	4.0	2.6
Provisions	1.0	1.3
Total Current Liabilities	90.5	93.0
Total Equity and Liabilities	602.0	572.8

ASSETS (Rs. Crs.)	Sept-18	Mar-18
Property, Plant and Equipment	347.9	307.7
Capital Work-in-progress	2.6	40.4
Other Intangible Assets	0.5	0.6
Financial Assets		
Investments	22.9	23.0
Loans	0.3	0.4
Others	2.4	1.8
Total Non-Current Assets	376.7	373.8
Inventories	46.5	38.6
Financial Assets		
Investments	68.4	52.8
Trade Receivables	79.2	75.6
Cash and Cash Equivalents	7.5	9.6
Bank balances	5.9	6.0
Loans	3.6	5.0
Others Financial Assets	1.4	0.7
Other Current Assets	12.8	10.7
Total Current Assets	225.3	198.9
Total Assets	602.0	572.8

Consistent Dividend Record

Dividend (% of Face Value)



The Board has approved Interim Dividend for the Financial Year 2018-19 of Rs. 4/- per equity share of Rs. 10/- each (40% of FV)

The Board has approved the buy-back of shares through the open market mechanism to the extent of Rs. 35 crores at a Maximum price of Rs. 1,150/-

For further information, please contact:

Company :

Investor Relations Advisors :

Oriental Carbon & Chemicals Ltd.

CIN: L24297WB1978PLC031539

Mr. Anurag Jain - CFO

anuragjain@occlindia.com

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

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Deven Dhruva / Ms. Neha Shroff

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