
ORIENTAL CARBON & CHEMICALS LIMITED

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

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

February 06, 2021

The Manager

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

The Manager

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051

BSE STOCK CODE: 506579

NSE SYMBOL: OCCL


Dear Sirs/Madam,

Re: Investor Presentation for the quarter and nine months ended 31st December 2020

Pursuant to the provision of the Listing Regulations, 2015 enclosed please find herewith a copy of the Investor Presentation for the quarter and nine months ended 31st December, 2020.

Thanking you,

Yours faithfully,
For **Oriental Carbon & Chemicals Ltd**



Pranab Kumar Maity
Company Secretary

Encl.: As above



Oriental Carbon & Chemicals Limited

Providing Solutions...

...Creating Innovations

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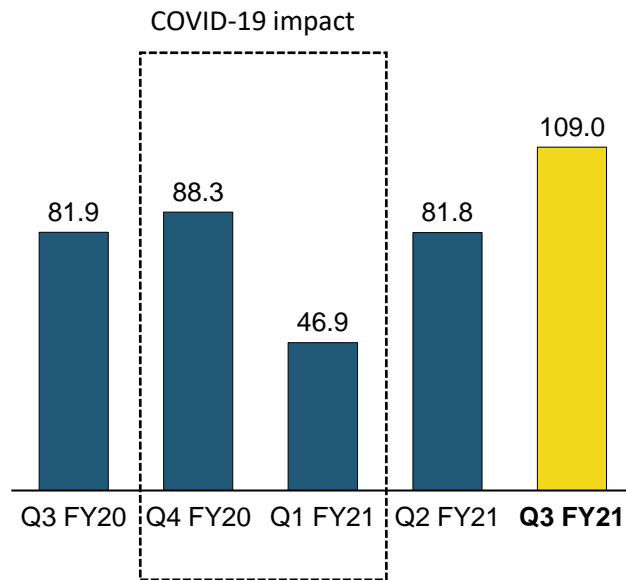
The background of the slide is a grayscale photograph of a diamond mine. It shows a series of parallel tracks or paths leading into the distance, with numerous small, sparkling diamonds scattered across the ground. The lighting creates a bokeh effect with bright spots of light.

Q3 & 9M FY21 Financial Highlights

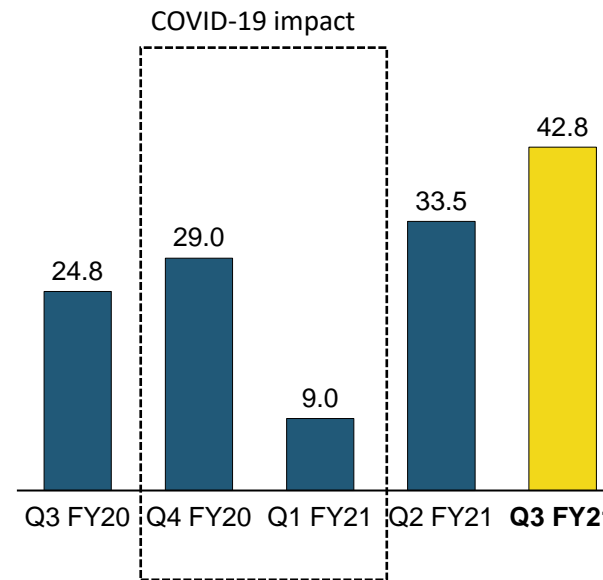
Q3 FY21 Standalone: Strong Growth Momentum



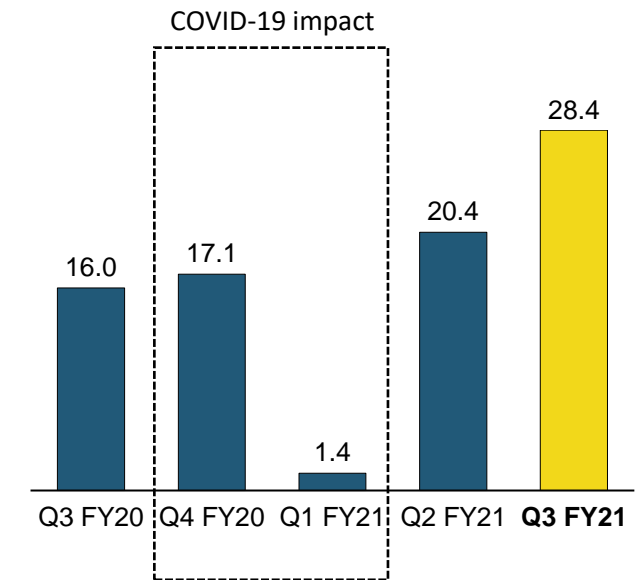
Revenues^ (Rs. Crs)



EBITDA^ (Rs. Crs)



PAT (Rs. Crs)



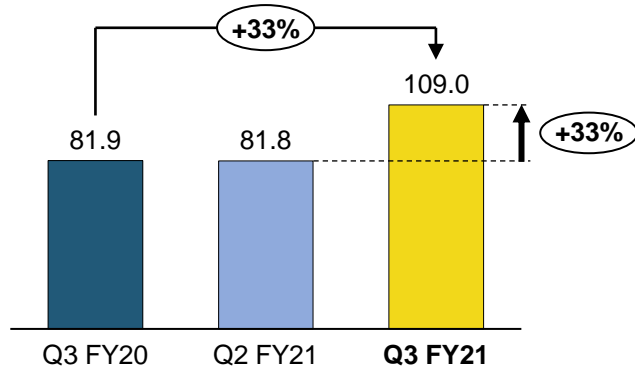
- Disruption from CoVID-19 Short-Lived
- Recovery in Performance
- Sales momentum expected to sustain going forward

^incl. Other Income

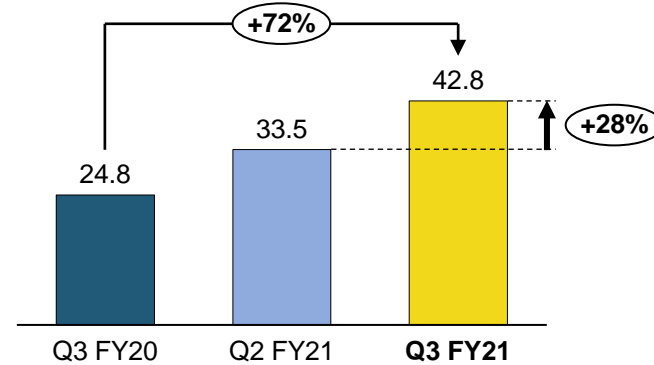
Standalone Financial Highlights: Q3 FY21



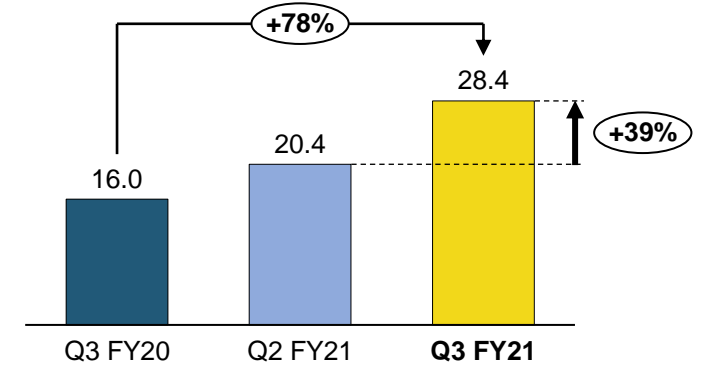
Revenues^ (Rs. Crs)



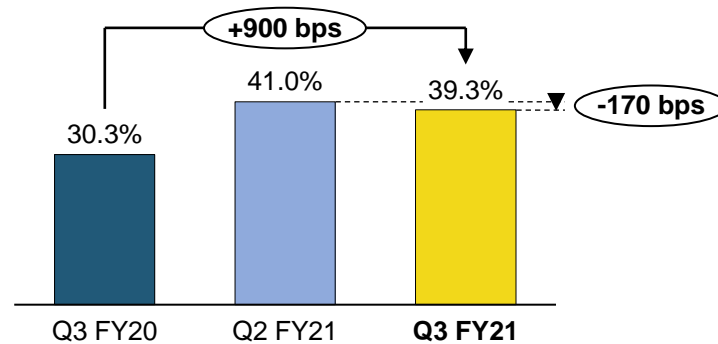
EBITDA^ (Rs. Crs)



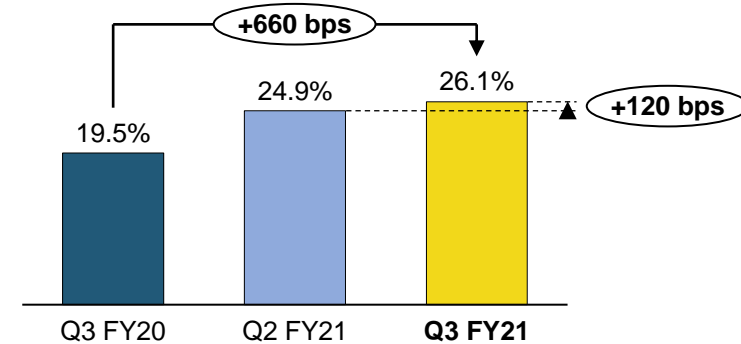
PAT (Rs. Crs)



EBITDA^ (%)



PAT (%)



^incl. Other Income

Standalone Profit & Loss Statement



Particulars (Rs. Crs.)	Standalone							
	Q3 FY21	Q3 FY20	Y-o-Y	Q2 FY21	Q-o-Q	9M FY21	9M FY20	Y-o-Y
Total Income from Operations^	109.0	81.9	33%	81.8	33%	237.8	264.7	-10%
Raw Material*	22.7	23.5		13.1		48.9	69.6	
Employee Expenses	13.0	11.0		11.3		33.5	33.5	
Other Expenses	30.6	22.7		23.9		70.1	82.1	
EBITDA^	42.8	24.8	72%	33.5	28%	85.3	79.5	7%
EBITDA Margin (%) ^	39.3%	30.3%		41.0%		35.9%	30.0%	
Depreciation	5.1	5.0		5.1		15.2	15.1	
EBIT	37.7	19.8	90%	28.5	32%	70.1	64.5	9%
EBIT Margin (%)	34.6%	24.2%		34.8%		29.5%	24.4%	
Finance Cost	1.3	2.3		1.7		4.9	7.2	
Profit before Tax	36.3	17.5	108%	26.8	36%	65.2	57.3	14%
Tax	7.9	1.5		6.4		14.9	2.9	
Profit After Tax	28.4	16.0	78%	20.4	39%	50.2	54.4	-8%
PAT Margin (%)	26.1%	19.5%		24.9%		21.1%	20.6%	
Other Comprehensive Income	-0.7	0.2		-0.3		-0.3	-0.5	
Total Comprehensive Income	27.8	16.2	72%	20.1	38%	49.9	53.9	-7%
EPS	28.47	16.00		20.43		50.29	54.48	

^incl. Other Income, *Total Raw material cost incl. change in Inventories

Balance Sheet - Standalone



EQUITY & LIABILITIES (Rs. Crs.)	Sep-20	Mar-20
Equity Share Capital	10.0	10.0
Other Equity	474.2	458.0
Total Equity	484.2	468.0
Financial Liabilities		
Borrowings	97.4	96.1
Lease Liability	5.5	5.8
Other Financial Liabilities	0.1	0.2
Provisions	2.7	2.5
Deferred Tax Liabilities (Net)	22.8	20.7
Total Non-Current Liabilities	128.6	125.3
Financial Liabilities		
Borrowings	49.4	38.3
Lease Liability	0.0	0.0
Trade Payables	15.2	14.4
Other Financial Liabilities	37.4	24.5
Other Current Liabilities	5.7	6.9
Provisions	2.2	1.6
Total Current Liabilities	109.9	85.8
Total Equity and Liabilities	722.7	679.1

ASSETS (Rs. Crs.)	Sep-20	Mar-20
Property, Plant and Equipment	329.4	337.9
Capital Work-in-progress	55.0	25.3
Other Intangible Assets	0.4	0.4
Intangible Assets Under Development	0.0	0.0
Financial Assets	0.0	0.0
Investments	32.6	29.6
Loans	0.5	0.5
Others	7.2	7.2
Other Non-Current assets	20.8	19.6
Total Non-Current Assets	445.9	420.5
Inventories	35.4	34.2
Financial Assets		
Investments	20.0	2.4
Trade Receivables	65.4	66.7
Cash and Cash Equivalents	1.8	23.3
Bank balances	134.2	117.3
Loans	0.7	0.6
Others Financial Assets	8.5	3.0
Current Tax Assets (Net)	0.2	1.1
Other Current Assets	10.5	10.1
Total Current Assets	276.8	258.6
Total Assets	722.7	679.1

Standalone Cashflow Statement



Particulars (Rs. Crs.)	Sep-20	Sep-19
Net Profit Before Tax	28.8	39.8
Adjustments for: Non Cash Items / Other Investment or Financial Items	8.2	14.5
Operating profit before working capital changes	37.0	54.3
Changes in working capital	0.3	7.2
Cash generated from Operations	37.4	61.5
Direct taxes paid (net of refund)	-4.1	-9.8
Net Cash from Operating Activities	33.2	51.7
Net Cash from Investing Activities	-67.6	-39.5
Net Cash from Financing Activities	12.9	-12.8
Net Decrease in Cash and Cash equivalents	-21.5	-0.6
Add: Cash & Cash equivalents at the beginning of the period	23.3	1.8
Cash & Cash equivalents at the end of the period	1.8	1.1

Consolidated Profit & Loss Statement



Particulars (Rs. Crs.)	Consolidated							
	Q3 FY21	Q3 FY20	Y-o-Y	Q2 FY21	Q-o-Q	9M FY21	9M FY20	Y-o-Y
Total Income from Operations^	120.4	92.3	30%	93.5	29%	265.4	298.5	-11%
Raw Material*	29.1	29.2		19.5		64.4	87.9	
Employee Expenses	15.4	13.5		13.7		40.2	40.8	
Other Expenses	31.7	23.5		24.8		72.6	84.8	
EBITDA^	44.2	26.1	70%	35.5	25%	88.3	85.0	4%
EBITDA Margin (%) ^	36.8%	28.2%		38.0%		33.3%	28.5%	
Depreciation	5.4	5.4		5.3		16.0	16.1	
EBIT	38.8	20.7	88%	30.2	29%	72.3	68.9	5%
EBIT Margin (%)	32.3%	22.4%		32.3%		27.2%	23.1%	
Finance Cost	1.4	2.4		1.8		5.1	7.4	
Profit before Tax	37.5	18.3	105%	28.4	32%	67.2	61.4	9%
Tax	7.9	1.5		6.4		14.9	2.9	
Profit After Tax	29.6	16.8	76%	22.1	34%	52.2	58.5	-11%
PAT Margin (%)	24.6%	18.2%		23.6%		19.7%	19.6%	
Other Comprehensive Income	-0.7	0.1		-0.3		-0.3	-0.6	
Non-Controlling Interest	0.5	0.4		0.8		1.0	2.0	
Total Comprehensive Income	28.3	16.5	71%	20.9	35%	50.9	55.9	-9%
EPS	29.04	16.40		21.25		51.29	56.52	

^incl. Other Income, *Total Raw material cost incl. change in Inventories

Balance Sheet - Consolidated



EQUITY & LIABILITIES (Rs. Crs.)	Sep-20	Mar-20
Equity Share Capital	10.0	10.0
Other Equity	471.2	454.6
Total Equity	481.3	464.6
Non-Controlling Interest	11.6	11.2
Financial Liabilities		
Borrowings	97.6	96.3
Lease Liability	5.5	5.8
Other Financial Liabilities	0.2	0.3
Provisions	3.1	2.9
Deferred Tax Liabilities (Net)	22.8	20.7
Total Non-Current Liabilities	129.2	126.0
Financial Liabilities		
Borrowings	52.8	38.8
Lease Liability	0.0	0.0
Trade Payables	19.8	18.7
Other Financial Liabilities	40.9	27.4
Other Current Liabilities	7.1	8.7
Provisions	2.2	1.7
Total Current Liabilities	122.9	95.4
Total Equity and Liabilities	745.0	697.2

ASSETS (Rs. Crs.)	Sep-20	Mar-20
Property, Plant and Equipment	344.6	353.5
Capital Work-in-progress	55.0	25.3
Other Intangible Assets	0.6	0.6
Intangible Assets Under Management	0.0	0.0
Financial Assets		
Investments	18.0	15.1
Loans	0.5	0.5
Others	7.6	7.2
Other Non-Current assets	20.9	19.6
Total Non-Current Assets	447.2	421.8
Inventories	43.5	42.1
Financial Assets		
Investments	20.0	2.4
Trade Receivables	69.7	71.3
Cash and Cash Equivalents	6.0	23.4
Bank balances	136.7	119.4
Loans	0.6	0.6
Others Financial Assets	8.5	3.0
Current Tax Assets (Net)	1.2	2.2
Other Current Assets	11.6	11.1
Total Current Assets	297.8	275.4
Total Assets	745.0	697.2

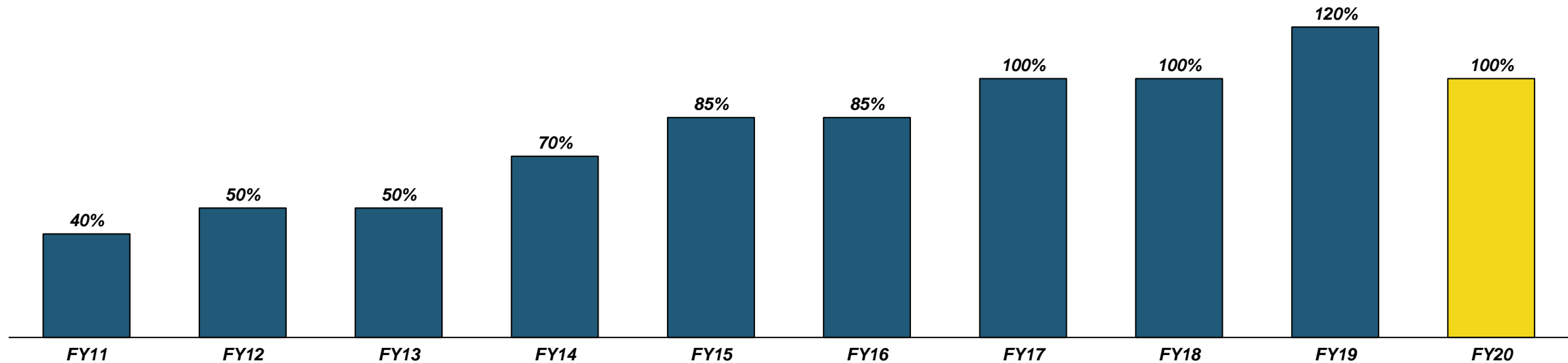
Consolidated Cashflow Statement



Particulars (Rs. Crs.)	Sep-20	Sep-19
Net Profit Before Tax	29.7	43.1
Adjustments for: Non Cash Items / Other Investment or Financial Items	8.8	14.8
Operating profit before working capital changes	38.5	57.9
Changes in working capital	0.8	5.9
Cash generated from Operations	39.3	63.8
Direct taxes paid (net of refund)	-4.1	-9.9
Net Cash from Operating Activities	35.2	54.0
Net Cash from Investing Activities	-68.2	-40.0
Net Cash from Financing Activities	15.6	-14.6
Net Decrease in Cash and Cash equivalents	-17.4	-0.6
Add: Cash & Cash equivalents at the beginning of the period	23.4	3.8
Cash & Cash equivalents at the end of the period	6.0	3.2

Consistent Dividend Records

Dividend (% of Face Value)



The Board of Directors has declared an Interim Dividend for the Financial Year 2020-2021 of Rs.4/- per equity share of Rs.10/- each (40% of FV)

Company Overview

MARKET LEADER

Duncan JP Goenka Group Company

One of the market leader in the production of Insoluble Sulphur

“REACH” Compliant

OCCL is a people and technology driven company

Our products are “REACH” compliant

TECHNOLOGY DRIVEN

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

STRONG FINANCIALS

12 Year CAGR
Revenues – 12%
EBITDA – 22%
PAT – 37%

MANUFACTURING FACILITIES

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

MARKET SHARE

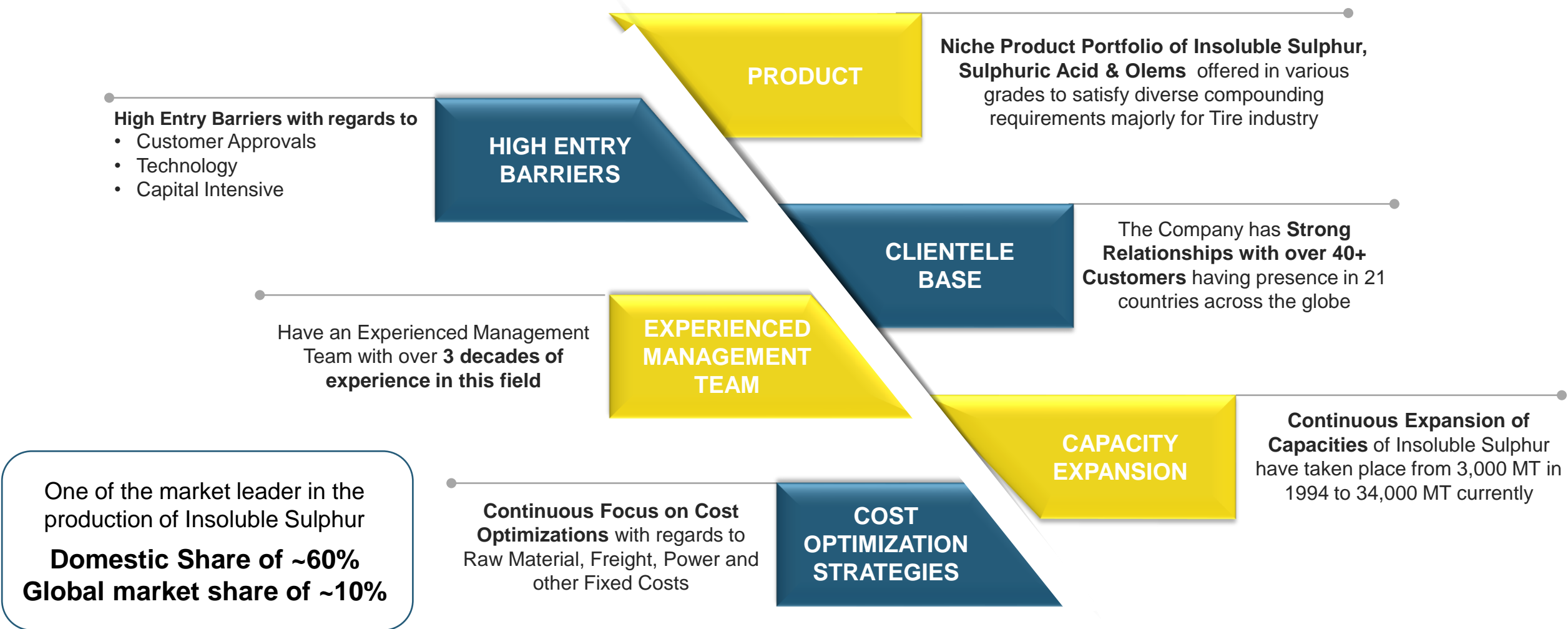
Domestic Share of 55% - 60%
Global market share of ~10%
Customer Base + 40



KEY STRENGTHS



Key Strengths

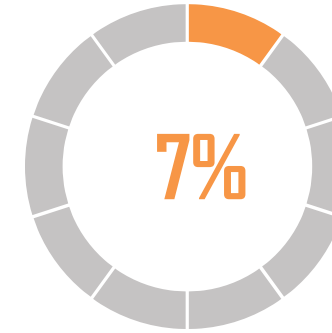


We deliver a Niche Product Portfolio...



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 Relationships...



apollo

Continental



BRIDGESTONE
Your Journey, Our Passion

MRF

GOODYEAR

JK TYRE
TOTAL CONTROL



**NOKIAN
TYRES**

CEAT



**SUMITOMO
RUBBER INDUSTRIES**

Having Presence in 21 Countries



...across the globe

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

We have Continuously expanded...

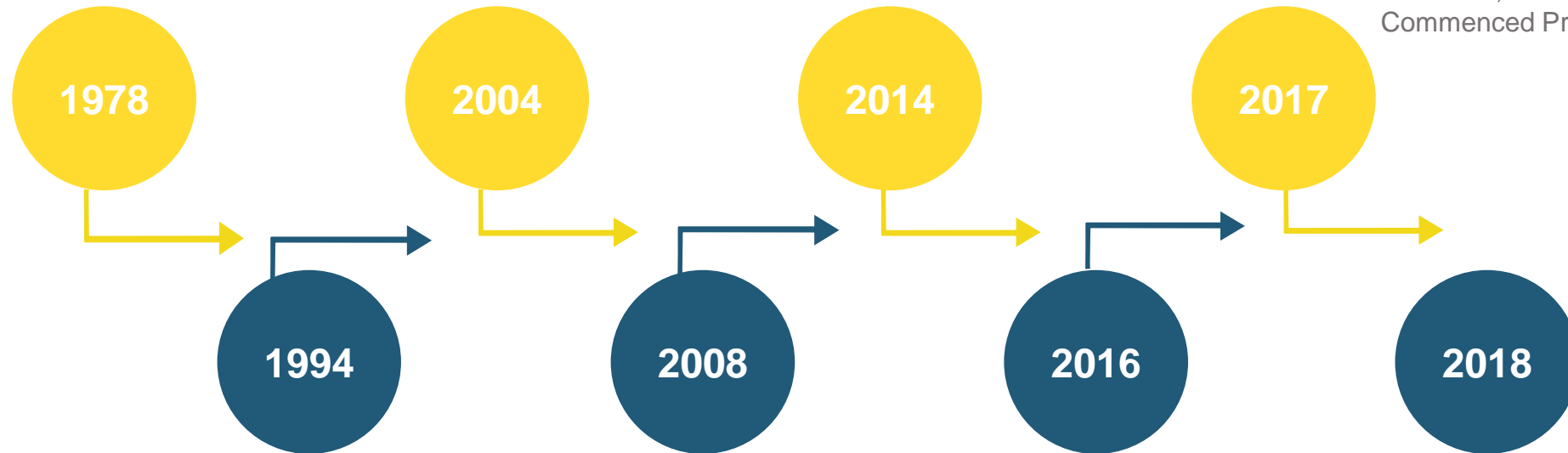


Dharuhera Plant
Incorporated as Dharuhera Chemicals Ltd to manufacture Sulphuric Acid of 30,000 MTPA

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 Art Manufacturing Facilities...

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



We use Cost Optimization Strategies

KEY RAW MATERIAL

Sulphur available easily due to ample supply

Naphthenic Oil is procured from domestic as well as international players

LOGISTICAL ADVANTAGE

Presence at the Port gives Location Advantage of reduced Logistic & Freight Cost

~67% of the sales constitutes Exports

FIXED COSTS

With increase production at the plants Operating Leverage to play out

Expansion has resulted in reduced Fixed cost/ Overheads per MT as R&D and Utilities have been shared

POWER COST OPTIMIZATION

Self-Sufficiency of steam for Plant at Dharuhera

Benefits from Lower Power Cost in SEZ Gujarat

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 diverse 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

<p>Product Portfolio</p>	<ul style="list-style-type: none"> • Various grades to satisfy diverse compounding requirements of leading tire manufacturers • Ongoing development of New Grades to meet Customer requirements
<p>Customer Approvals</p>	<ul style="list-style-type: none"> • 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
<p>Capital Intensive</p>	<ul style="list-style-type: none"> • Edge over the others - Proven Track Record In-house Technology
<p>In house Technology</p>	<ul style="list-style-type: none"> • 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

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



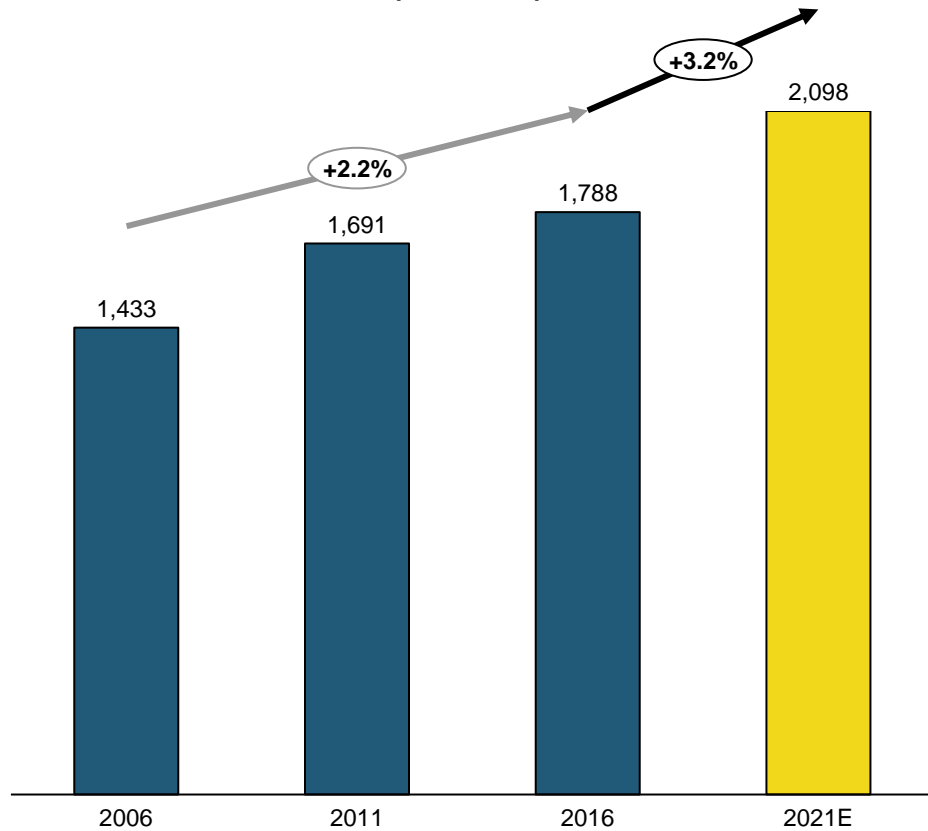
KEY GROWTH OPPORTUNITIES



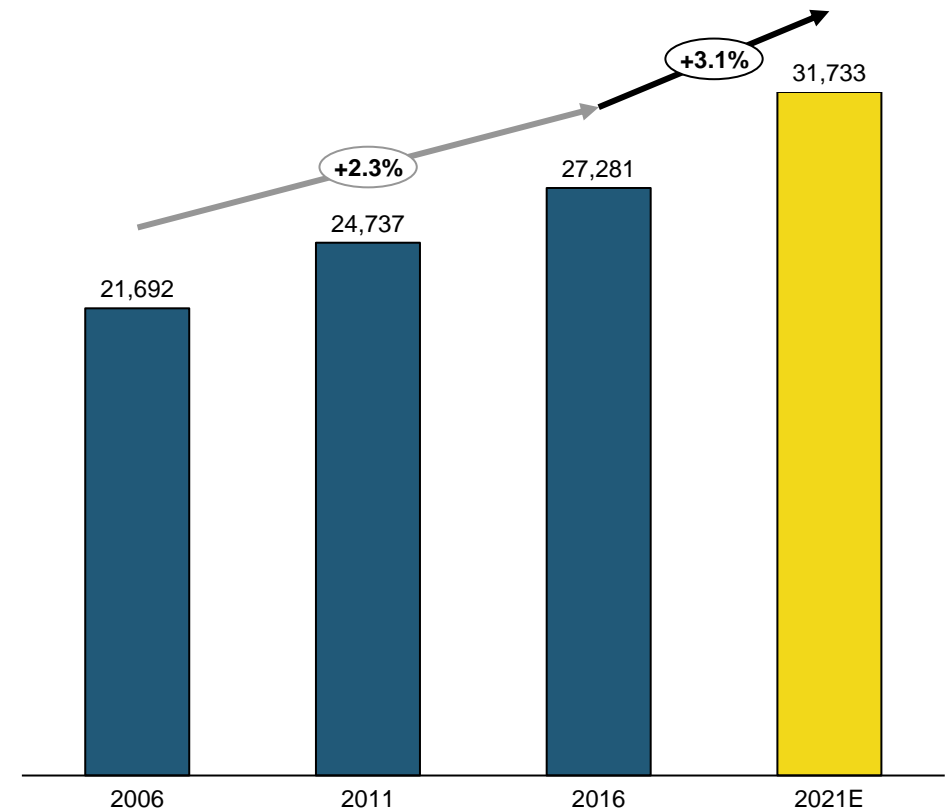
Global Tyre Industry



Tyre Production (mn units)



Tyre Rubber Consumption (‘000 tonnes)

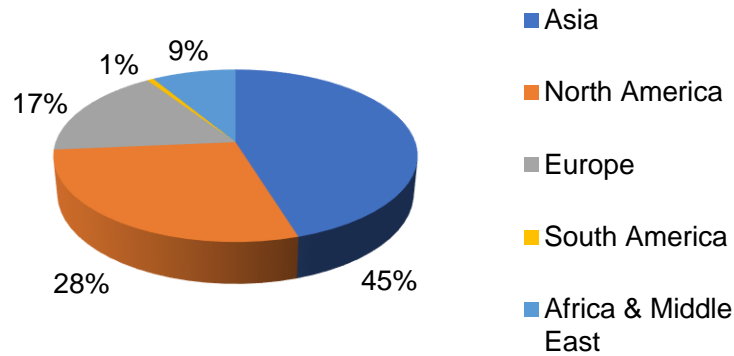


Source: Notch Report

Insoluble Sulphur – Demand Forecast

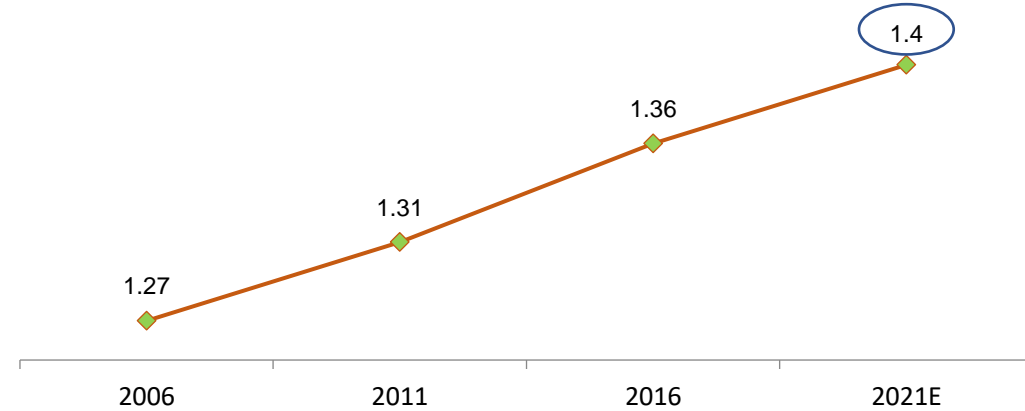
Geographical Breakup

\$22 bn Investment

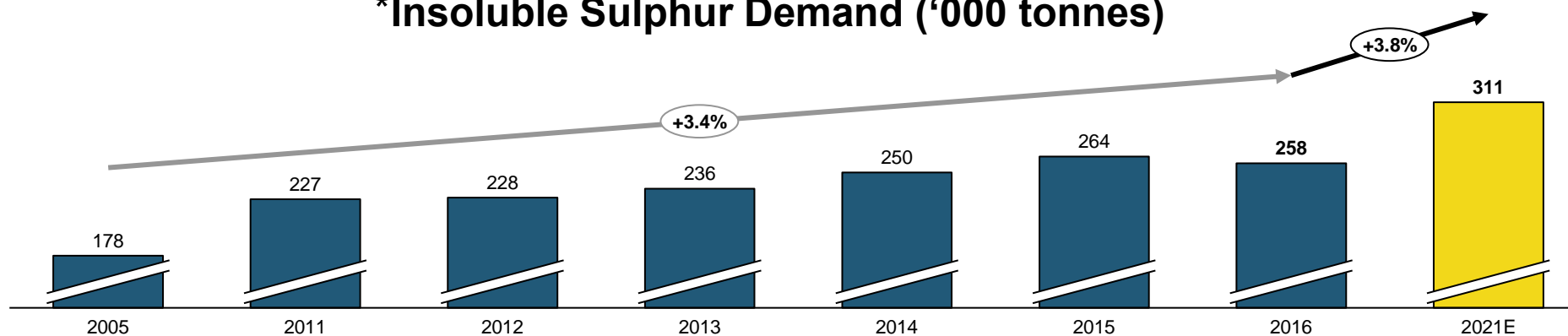


Radialisation Effect

Insoluble Sulphur to Tire Rubber Ratio



*Insoluble Sulphur Demand ('000 tonnes)



Source: Notch Report

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



Capacity Expansion

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

Radialization

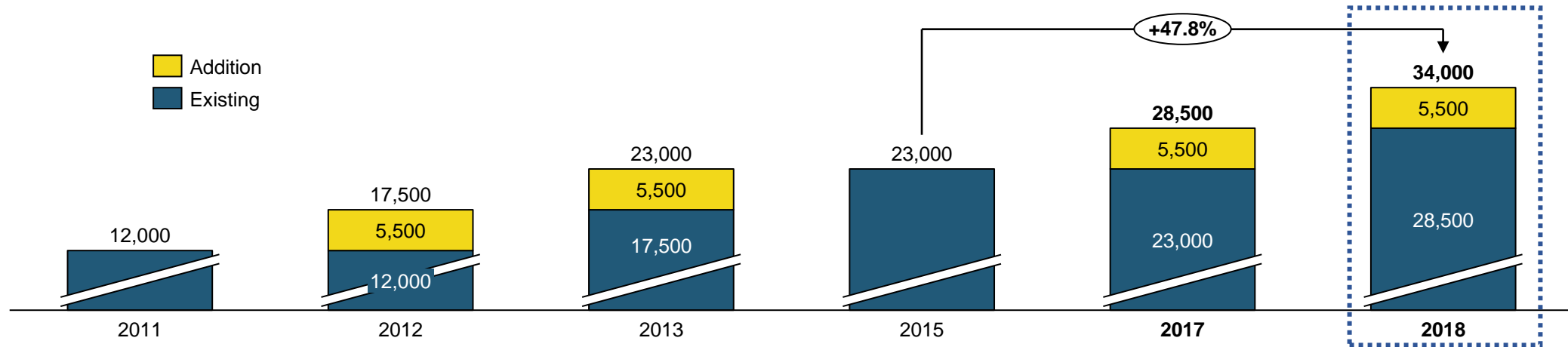
An increase in rate of Radialization in Commercial Vehicles in India will lead to an increase in requirement of Insoluble Sulphur

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

New Project Announced...

INSOLUBLE SULPHUR

Expansion of Insoluble Sulphur Capacity
by **11,000 MT**

Expansion in **2 phases of 5,500 MT** each

SULPHURIC ACID

Expansion of Sulphuric Acid Capacity
by **42,000 MT**

Total Capacity of Sulphuric Acid would become **88,000 MT**

- Capital investment would be of ~Rs.216 crores including Working Capital of Rs. 7.5 crores
- The Project is proposed to be funded by a mix of Loans and Internal accruals with a debt equity ratio of 2:1



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

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