

The background of the slide is a scenic landscape. A paved road with a white dashed center line curves through a dry, hilly area with sparse vegetation. In the distance, a range of large, rugged mountains is visible under a hazy sky. A large, black tire with a detailed tread pattern is positioned on the right side of the road, appearing to be rolling or having just stopped.

# Oriental Carbon & Chemicals Limited

Providing Solutions...

...Creating Innovations



This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Oriental Carbon & Chemicals Limited (the “Company”)**, have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

# Company Overview



## MARKET LEADER

**Duncan JP Goenka Group Company**

One of the market leader in the production of Insoluble Sulphur

## TECHNOLOGY DRIVEN

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

## MANUFACTURING FACILITIES

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

## "REACH" Compliant

OCCL is a people and technology driven company  
Our products are "REACH" compliant

## STRONG FINANCIALS

12 Year CAGR  
Revenues – 16%  
EBITDA – 22%  
PAT – 31%

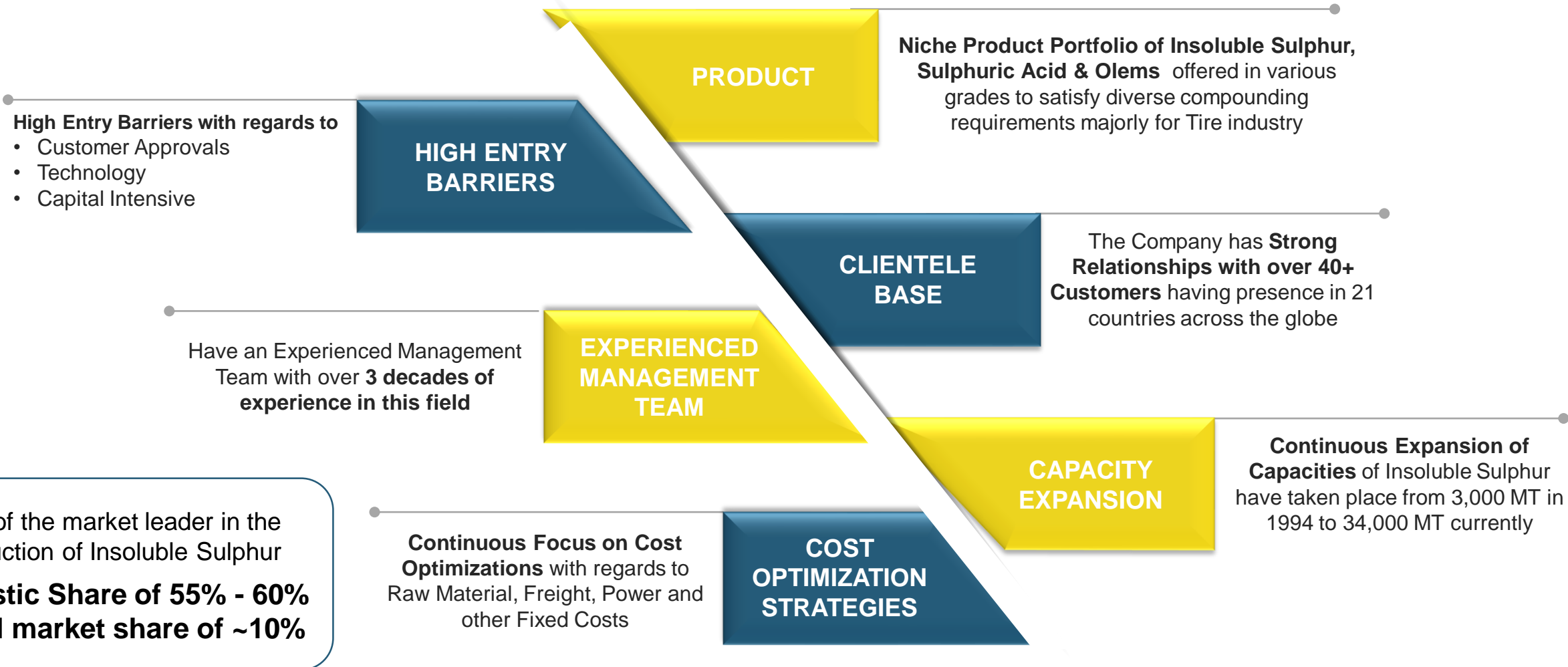
## MARKET SHARE

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



## **KEY STRENGTHS**

# Key Strengths

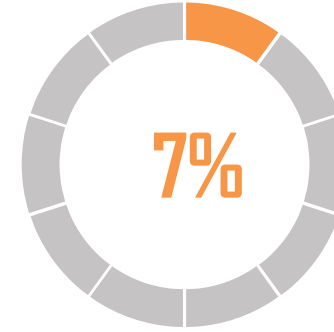


# We deliver a Niche Product Portfolio...



## 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**

**BIRLA  
TYRES**  
*Unbeatable!*

**JK TYRE**  
TOTAL CONTROL



**NOKIAN  
TYRES**

**CEAT**



**SUMITOMO  
RUBBER INDUSTRIES**



**COOPERTIRES**

# Having Presence in 21 Countries

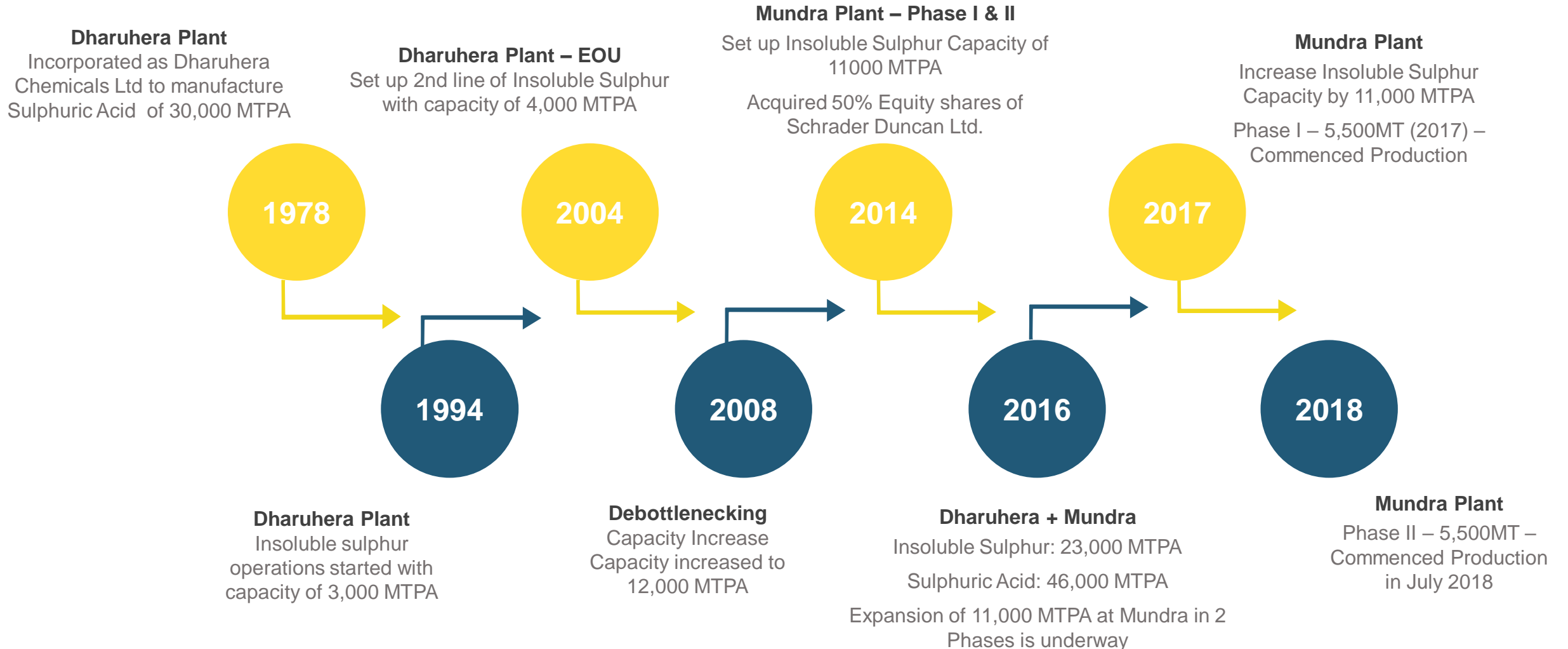


...across the globe

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...



# 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

<b>Product Portfolio</b>	<ul style="list-style-type: none"> <li>• Various grades to satisfy diverse compounding requirements of leading tire manufacturers</li> <li>• Ongoing development of New Grades to meet Customer requirements</li> </ul>
<b>Customer Approvals</b>	<ul style="list-style-type: none"> <li>• Minimum 24 months required by Customers to approve &amp; validate product from new supplier</li> <li>• Widely accepted around the world as a preferred vendor by leading tire manufacturers</li> </ul>
<b>Capital Intensive</b>	<ul style="list-style-type: none"> <li>• Edge over the others - Proven Track Record In-house Technology</li> </ul>
<b>In house Technology</b>	<ul style="list-style-type: none"> <li>• In house R&amp;D team works on a continuous basis to improve Quality of product and its Properties</li> <li>• In house technology team to maintain the technical and quality edge at each production stage</li> </ul>

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

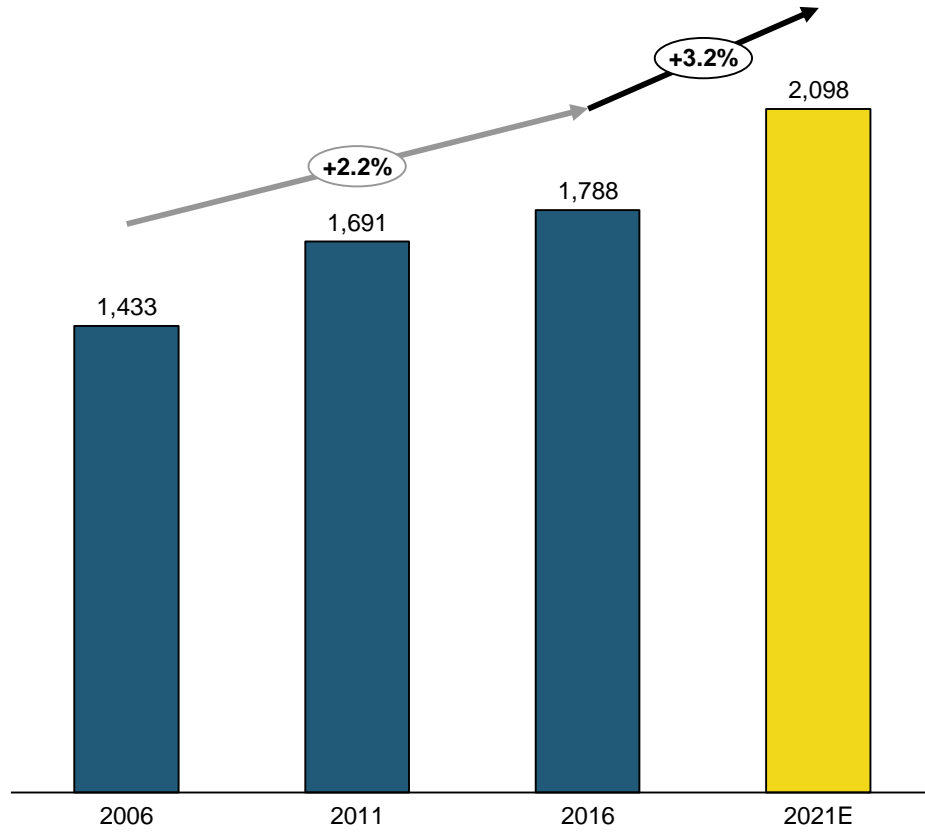
The background of the slide is a grayscale, high-magnification photograph of a microchip. It shows intricate circuit patterns, including concentric circular tracks and various small, rectangular components mounted on the surface. The lighting creates a bokeh effect with many bright, out-of-focus spots.

# **KEY GROWTH OPPORTUNITIES**



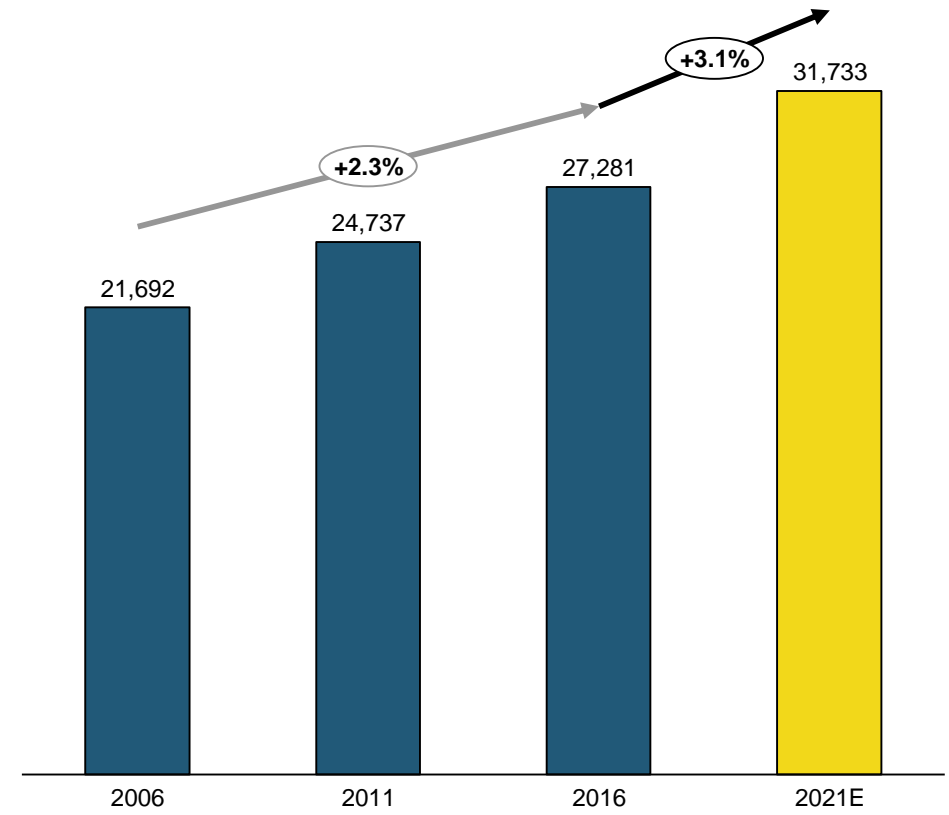
## Tire Production

(mn units)



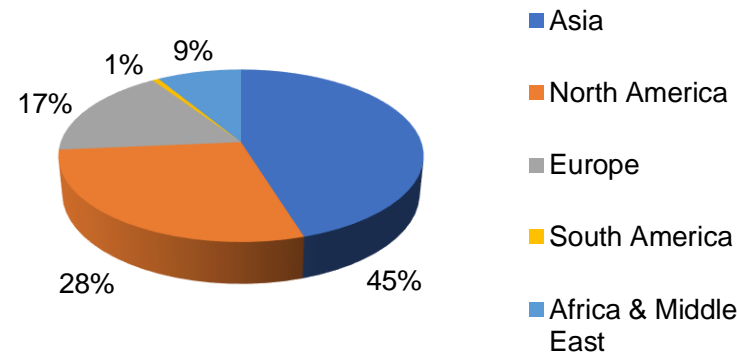
## Tire Rubber Consumption

('000 tonnes)

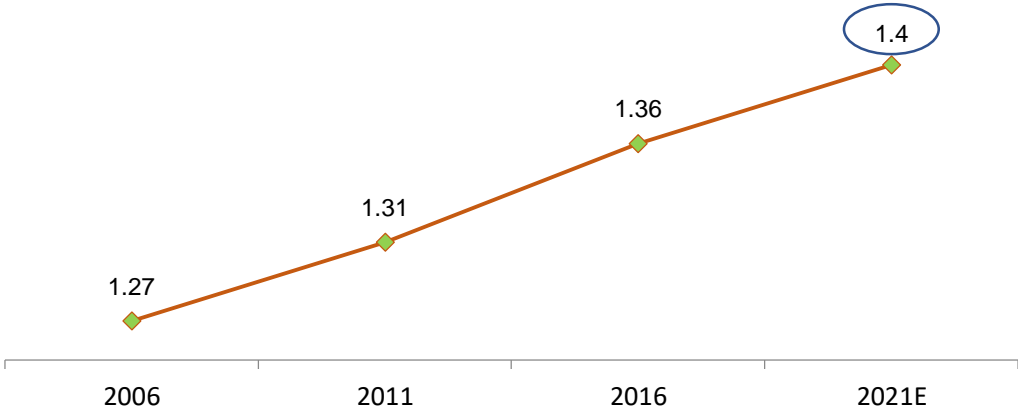


# Insoluble Sulphur – Demand Forecast

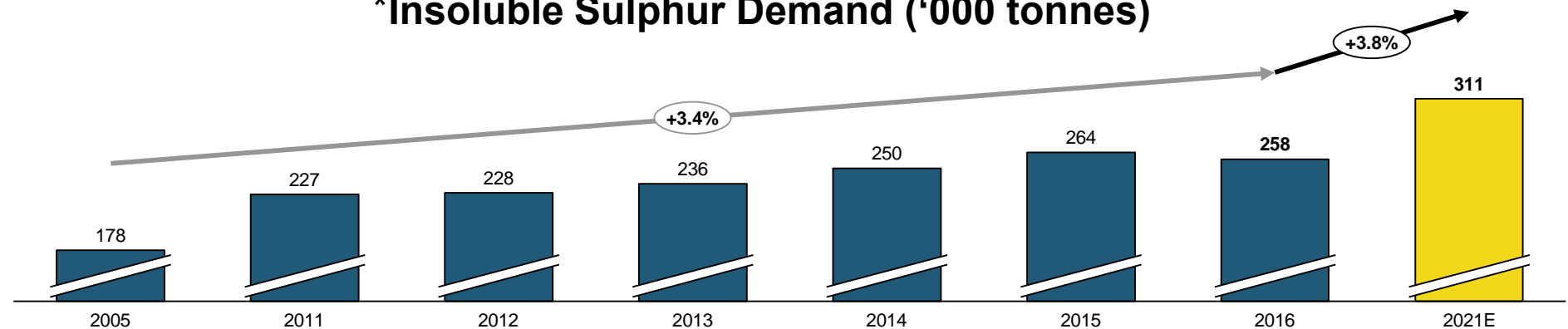
**Geographical Breakup**  
\$22 bn Investment



**Radialisation Effect**  
Insoluble Sulphur to Tire Rubber Ratio



**\*Insoluble Sulphur Demand ('000 tonnes)**



Source: Notch Report

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

# Key Growth Drivers



## 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

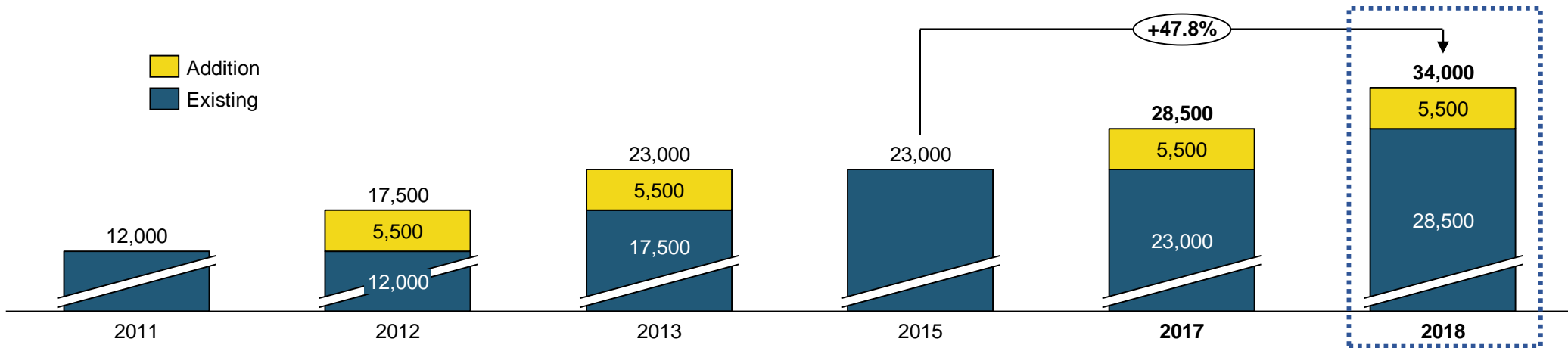
## Geographical Penetration

- 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

The background of the slide is a grayscale, high-magnification photograph of a microchip. It shows a complex network of fine, curved lines and numerous small, dark, rectangular components, likely transistors or memory cells, arranged in a regular pattern.

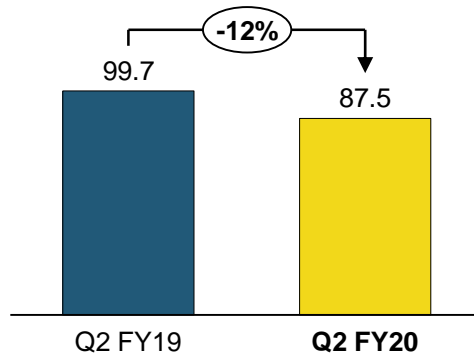
# **FINANCIALS**



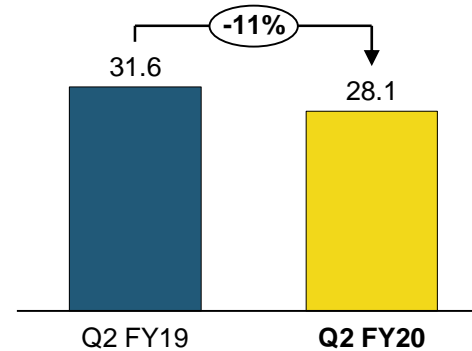
# Standalone Highlights: Q2 FY20



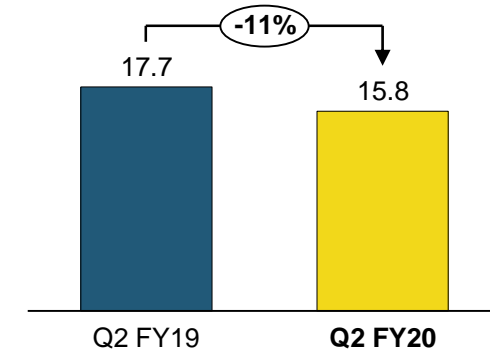
Revenues^ (Rs. Crs)



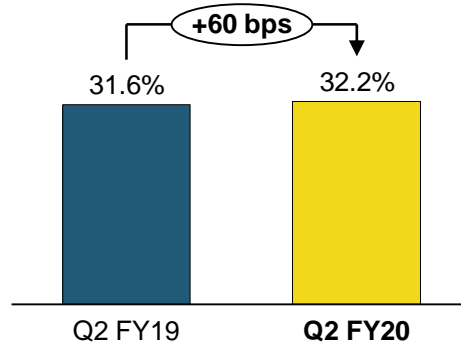
EBITDA^ (Rs. Crs)



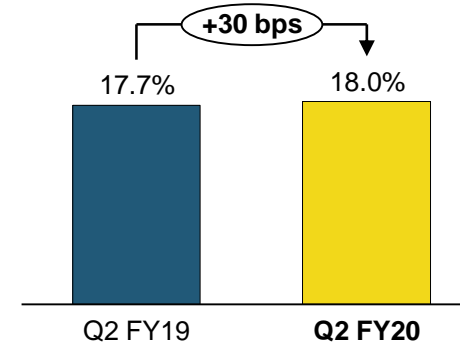
PAT (Rs. Crs)



EBITDA^ (%)



PAT (%)



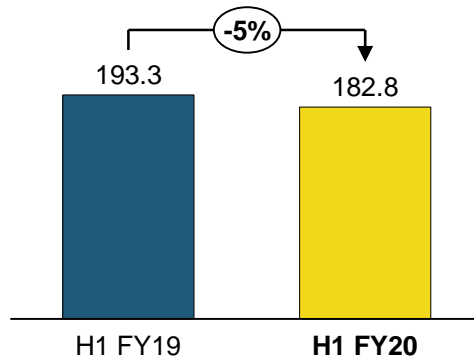
^incl. Other Income

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

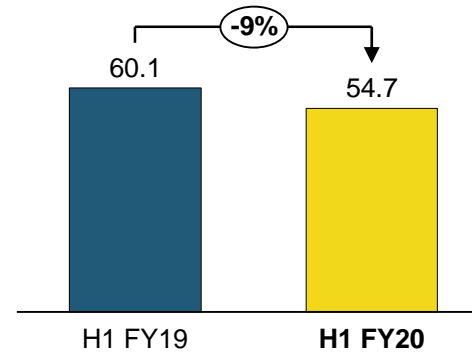
# Standalone Highlights: H1 FY20



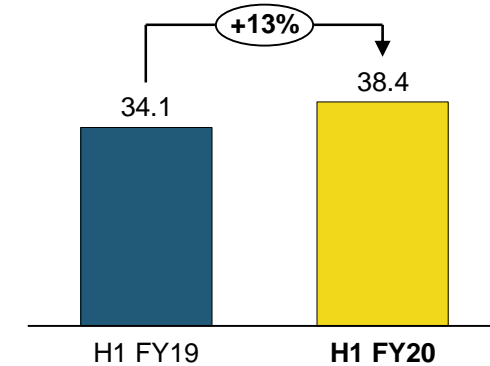
Revenues^ (Rs. Crs)



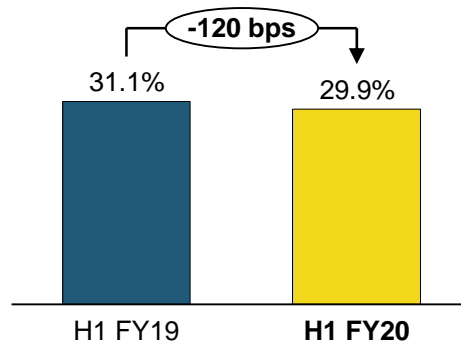
EBITDA^ (Rs. Crs)



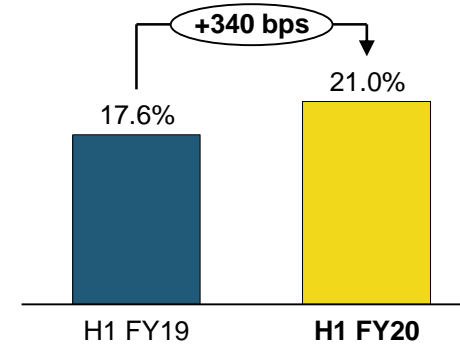
PAT (Rs. Crs)



EBITDA^ (%)



PAT (%)



^incl. Other Income

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

# Standalone Profit & Loss Statement

Particulars (Rs. Crs.)	Standalone						
	Q2 FY20	Q2 FY19	Y-o-Y	H1 FY20	H1 FY19	Y-o-Y	FY19
<b>Total Income from Operations^</b>	<b>87.5</b>	<b>99.7</b>	<b>-12%</b>	<b>182.8</b>	<b>193.3</b>	<b>-5%</b>	<b>397.0</b>
Raw Material*	22.1	25.6		46.1	47.1		103.1
Employee Expenses	10.2	11.1		22.6	22.1		45.4
Other Expenses	27.1	31.5		59.4	63.9		119.1
<b>EBITDA^</b>	<b>28.1</b>	<b>31.6</b>	<b>-11%</b>	<b>54.7</b>	<b>60.1</b>	<b>-9%</b>	<b>129.4</b>
<b>EBITDA Margin (%) ^</b>	<b>32.2%</b>	<b>31.6%</b>		<b>29.9%</b>	<b>31.1%</b>		<b>32.6%</b>
Depreciation	5.1	4.7		10.0	8.9		18.6
<b>EBIT</b>	<b>23.0</b>	<b>26.8</b>	<b>-14%</b>	<b>44.7</b>	<b>51.2</b>	<b>-13%</b>	<b>110.8</b>
<b>EBIT Margin (%)</b>	<b>26.3%</b>	<b>26.9%</b>		<b>24.4%</b>	<b>26.5%</b>		<b>27.9%</b>
Finance Cost	2.3	2.1		4.8	3.8		8.2
<b>Profit before Tax</b>	<b>20.7</b>	<b>24.7</b>	<b>-16%</b>	<b>39.8</b>	<b>47.4</b>	<b>-16%</b>	<b>102.6</b>
Tax	4.9	7.1		1.4	13.3		28.8
<b>Profit After Tax</b>	<b>15.8</b>	<b>17.7</b>	<b>-11%</b>	<b>38.4</b>	<b>34.1</b>	<b>13%</b>	<b>73.7</b>
<b>PAT Margin (%)</b>	<b>18.0%</b>	<b>17.7%</b>		<b>21.0%</b>	<b>17.6%</b>		<b>18.6%</b>
Other Comprehensive Income	-0.6	0.2		-0.7	-0.1		0.9
<b>Total Comprehensive Income</b>	<b>15.1</b>	<b>17.9</b>	<b>-15%</b>	<b>37.7</b>	<b>34.0</b>	<b>11%</b>	<b>74.7</b>
EPS	15.77	17.15		38.48	33.07		72.09

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

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

# Balance Sheet - Standalone



<b>EQUITY &amp; LIABILITIES (Rs. Crs.)</b>	<b>Sep-19</b>	<b>Mar-19</b>
Equity Share Capital	10.0	10.0
Other Equity	431.6	403.5
<b>Total Equity</b>	<b>441.6</b>	<b>413.5</b>
Financial Liabilities		
Borrowings	68.0	71.7
Lease Liability	5.6	-
Other Financial Liabilities	0.2	0.2
Provisions	2.7	2.8
Deferred Tax Liabilities (Net)	21.9	27.7
<b>Total Non-Current Liabilities</b>	<b>98.4</b>	<b>102.3</b>
Financial Liabilities		
Borrowings	41.0	30.6
Lease Liability	0.0	-
Trade Payables	15.9	17.7
Other Financial Liabilities	30.4	39.9
Other Current Liabilities	5.3	6.2
Income Tax Liability	-	0.9
Provisions	0.9	0.8
<b>Total Current Liabilities</b>	<b>93.4</b>	<b>96.0</b>
<b>Total Equity and Liabilities</b>	<b>633.5</b>	<b>611.9</b>

<b>ASSETS (Rs. Crs.)</b>	<b>Sep-19</b>	<b>Mar-19</b>
Property, Plant and Equipment	346.0	343.9
Capital Work-in-progress	4.1	3.3
Other Intangible Assets	0.5	0.5
Financial Assets		
Investments	23.4	24.3
Loans	0.2	0.3
Others	6.9	6.9
Other Non-Current assets	20.7	1.1
<b>Total Non-Current Assets</b>	<b>401.7</b>	<b>380.3</b>
Inventories	47.0	46.3
Financial Assets		
Investments	93.9	83.5
Trade Receivables	70.0	83.7
Cash and Cash Equivalents	1.1	1.8
Bank balances	6.8	1.9
Loans	0.5	0.5
Others Financial Assets	1.9	2.1
Current Tax Assets (Net)	1.9	-
Other Current Assets	8.6	11.8
<b>Total Current Assets</b>	<b>231.8</b>	<b>231.7</b>
<b>Total Assets</b>	<b>633.5</b>	<b>611.9</b>

# Standalone Cashflow Statement

Particulars (Rs. Crs.)	Sep-19	Sep-18
<b>Net Profit Before Tax</b>	<b>39.8</b>	<b>47.4</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	14.5	15.5
<b>Operating profit before working capital changes</b>	<b>54.3</b>	<b>62.9</b>
Changes in working capital	7.2	-16.9
<b>Cash generated from Operations</b>	<b>61.5</b>	<b>46.0</b>
Direct taxes paid (net of refund)	-9.8	-10.2
<b>Net Cash from Operating Activities</b>	<b>51.7</b>	<b>35.8</b>
<b>Net Cash from Investing Activities</b>	<b>-39.5</b>	<b>-25.7</b>
<b>Net Cash from Financing Activities</b>	<b>-12.8</b>	<b>-12.2</b>
<b>Net Decrease in Cash and Cash equivalents</b>	<b>-0.6</b>	<b>-2.1</b>
Add: Cash & Cash equivalents at the beginning of the period	1.8	9.6
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>1.1</b>	<b>7.5</b>



# Consolidated Profit & Loss Statement

Particulars (Rs. Crs)	Consolidated						
	Q2 FY20	Q2 FY19	Y-o-Y	H1 FY20	H1 FY19	Y-o-Y	FY19
<b>Total Income from Operations^</b>	<b>99.3</b>	<b>110.2</b>	<b>-10%</b>	<b>206.2</b>	<b>214.5</b>	<b>-4%</b>	<b>441.8</b>
Raw Material*	28.3	31.9		58.7	59.9		130.1
Employee Expenses	12.4	13.0		27.3	26.1		53.5
Other Expenses	28.0	32.5		61.3	65.9		123.6
<b>EBITDA^</b>	<b>30.5</b>	<b>32.8</b>	<b>-7%</b>	<b>58.9</b>	<b>62.7</b>	<b>-6%</b>	<b>134.7</b>
<b>EBITDA Margin (%) ^</b>	<b>30.7%</b>	<b>29.8%</b>		<b>28.6%</b>	<b>29.2%</b>		<b>30.5%</b>
Depreciation	5.5	5.2		10.7	9.8		20.3
<b>EBIT</b>	<b>25.1</b>	<b>27.6</b>	<b>-9%</b>	<b>48.2</b>	<b>52.9</b>	<b>-9%</b>	<b>114.4</b>
<b>EBIT Margin (%)</b>	<b>25.2%</b>	<b>25.1%</b>		<b>23.4%</b>	<b>24.7%</b>		<b>25.9%</b>
Finance Cost	2.4	2.2		5.1	4.1		8.7
<b>Profit before Tax</b>	<b>22.6</b>	<b>25.4</b>	<b>-11%</b>	<b>43.1</b>	<b>48.9</b>	<b>-12%</b>	<b>105.7</b>
Tax	4.7	7.1		1.4	13.3		29.2
<b>Profit After Tax</b>	<b>18.0</b>	<b>18.3</b>	<b>-2%</b>	<b>41.7</b>	<b>35.5</b>	<b>17%</b>	<b>76.5</b>
<b>PAT Margin (%)</b>	<b>18.1%</b>	<b>16.6%</b>		<b>20.2%</b>	<b>16.6%</b>		<b>17.3%</b>
Other Comprehensive Income	-0.6	0.3		-0.8	-0.1		0.8
Non-Controlling Interest	1.1	0.3		1.6	0.7		1.4
<b>Total Comprehensive Income</b>	<b>16.2</b>	<b>18.2</b>	<b>-11%</b>	<b>39.3</b>	<b>34.7</b>	<b>13%</b>	<b>76.0</b>
EPS	16.88	17.47		40.12	33.79		73.45

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

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

# Balance Sheet - Consolidated



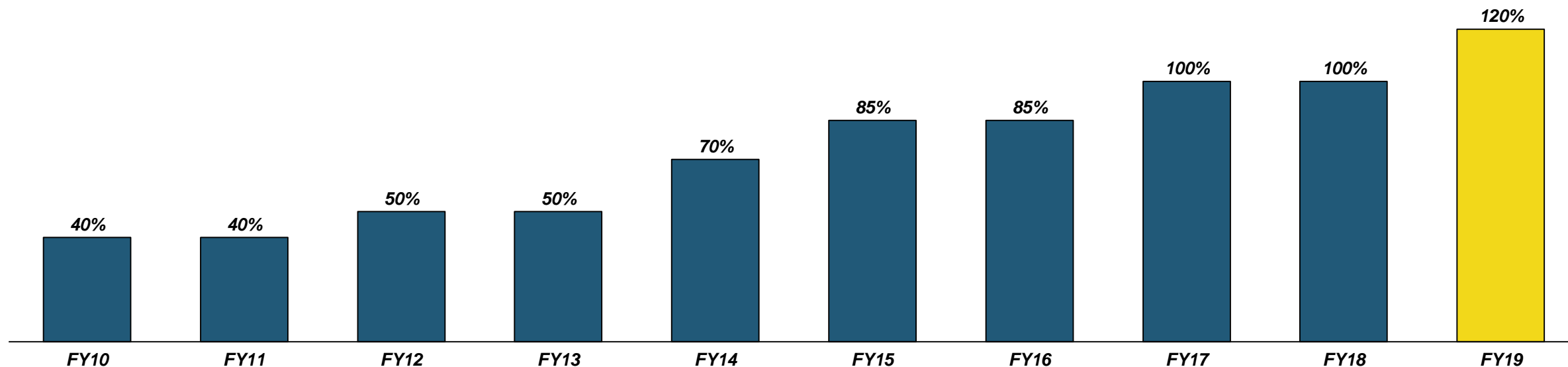
<b>EQUITY &amp; LIABILITIES (Rs. Crs.)</b>	<b>Sep-19</b>	<b>Mar-19</b>
Equity Share Capital	10.0	10.0
Other Equity	428.3	398.6
<b>Total Equity</b>	<b>438.3</b>	<b>408.6</b>
Non-Controlling Interest	11.2	9.6
Financial Liabilities		
Borrowings	68.0	71.7
Lease Liability	5.6	-
Other Financial Liabilities	0.4	0.3
Provisions	3.1	3.1
Deferred Tax Liabilities (Net)	21.9	27.6
<b>Total Non-Current Liabilities</b>	<b>99.0</b>	<b>102.7</b>
Financial Liabilities		
Borrowings	46.0	37.3
Lease Liability	0.0	-
Trade Payables	18.9	22.4
Other Financial Liabilities	31.9	41.4
Other Current Liabilities	6.7	8.4
Provisions	0.9	0.8
<b>Total Current Liabilities</b>	<b>104.5</b>	<b>110.3</b>
<b>Total Equity and Liabilities</b>	<b>653.0</b>	<b>631.2</b>

<b>ASSETS (Rs. Crs.)</b>	<b>Sep-19</b>	<b>Mar-19</b>
Property, Plant and Equipment	361.7	360.1
Capital Work-in-progress	4.1	3.4
Other Intangible Assets	0.6	0.7
Financial Assets		
Investments	8.8	9.7
Loans	0.2	0.3
Others Financial Assets	7.0	6.9
Other Non-Current assets	20.7	1.2
<b>Total Non-Current Assets</b>	<b>403.2</b>	<b>382.4</b>
Inventories	54.6	54.2
Financial Assets		
Investments	93.9	83.5
Trade Receivables	76.1	89.2
Cash and Cash Equivalents	3.2	3.8
Bank balances	7.2	2.0
Loans	0.6	0.6
Others Financial Assets	1.9	2.1
Current Tax Assets (Net)	2.9	0.2
Other Current Assets	9.4	13.2
<b>Total Current Assets</b>	<b>249.8</b>	<b>248.8</b>
<b>Total Assets</b>	<b>653.0</b>	<b>631.2</b>

# Consistent Dividend Records



Dividend (% of Face Value)



***The Board of Directors has declared an Interim Dividend for the Financial Year 2019-2020 of Rs.4/- per equity share of Rs.10/- each (40% of FV)***

**For further information, please contact:**

---

Company :

Investor Relations Advisors :

---

**Oriental Carbon & Chemicals Ltd.**

CIN: L24297WB1978PLC031539

**Mr. Anurag Jain - CFO**

[anuragjain@occlindia.com](mailto:anuragjain@occlindia.com)

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

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

**Mr. Deven Dhruva / Ms. Neha Shroff**

[deven.dhruva@sgapl.net](mailto:deven.dhruva@sgapl.net) / [neha.shroff@sgapl.net](mailto:neha.shroff@sgapl.net)

+91 9833373300 / +91 7738073466

[www.sgapl.net](http://www.sgapl.net)