

August 8, 2025

Q1FY26 Result Update

☑ Change in Estimates | ☑ Target | ☑ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	HOLD		REDUCE	
Target Price	182		187	
Sales (Rs. m)	14,822	16,105	14,965	16,413
% Chng.	(1.0)	(1.9)		
EBITDA (Rs. m)	1,600	1,799	1,741	1,979
% Chng.	(8.1)	(9.1)		
EPS (Rs.)	6.3	7.0	6.9	7.8
% Chng.	(9.0)	(10.2)		

Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	14,447	13,927	14,822	16,105
EBITDA (Rs. m)	1,950	1,374	1,600	1,799
Margin (%)	13.5	9.9	10.8	11.2
PAT (Rs. m)	1,330	1,029	1,048	1,171
EPS (Rs.)	8.0	6.2	6.3	7.0
Gr. (%)	(10.8)	(22.8)	1.9	11.7
DPS (Rs.)	3.0	3.0	3.0	3.0
Yield (%)	1.7	1.7	1.7	1.7
RoE (%)	8.2	5.9	5.9	6.3
RoCE (%)	8.8	4.8	5.8	6.5
EV/Sales (x)	1.8	1.9	1.7	1.6
EV/EBITDA (x)	13.0	19.2	15.7	13.9
PE (x)	21.8	28.3	27.8	24.9
P/BV (x)	1.7	1.7	1.6	1.5

Key Data NOCI.BO | NOCIL IN

52-W High / Low	Rs.309 / Rs.155
Sensex / Nifty	79,858 / 24,363
Market Cap	Rs.29bn/ \$ 332m
Shares Outstanding	167m
3M Avg. Daily Value	Rs.132.83m

Shareholding Pattern (%)

Promoter's	33.76
Foreign	6.65
Domestic Institution	5.19
Public & Others	54.40
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(10.1)	(21.9)	(38.9)
Relative	(5.7)	(23.9)	(39.7)

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All eyes on ADD outcome

Quick Pointers:

- Competition from China, Korea and EU to continue to impact prices & volumes, which remains a key concern
- Overall capacity utilization at ~65%; utilization varies across products

Following the recent price correction and potential ADD on 40% of the company's product portfolio, we upgrade the stock to 'HOLD' with a revised target price of Rs182, valuing it at 26x FY27E EPS. NOCIL reported revenue of Rs3.4bn (PLe: Rs3.55bn, Consensus: Rs3.48bn), marking a decline of 9.7% YoY and 1% QoQ. The topline was impacted by a 7% YoY drop in volumes and lower realization. Based on our estimates, the average realization stood at Rs250/kg, reflecting a QoQ and YoY decline of 2%. While sales volume grew 1% QoQ, EBITDA/kg dropped 11% QoQ and 20% YoY due to higher operating leverage, leading to a 100bps QoQ and 190bps YoY contraction in EBITDAM. Capacity utilization stood at ~65%, though usage varied significantly across product lines. To meet rising demand for select rubber chemicals like TDQ antioxidants, with plants already operating at high utilization levels, the company is investing Rs2.5bn in capacity expansion. These additional capacities are expected to come online in H2FY27, though peak utilization across the portfolio may take another 1.5 to 2 years. Near-term headwinds are expected to persist; however, a potential ADD on 40% of the company's product portfolio could provide significant relief. The stock is currently trading at ~25x FY27 EPS. We upgrade to 'HOLD' rating.

- Volumes decline by 7% YoY:** Consolidated revenue stood at Rs3.4bn, -9.7% YoY/ -1% QoQ (PLe: Rs3.55bn, Consensus: Rs3.48bn). Volumes were up 1% sequentially, but down 7% YoY. Gross profit margin was 42.5% (vs 41.6% in Q1FY25 and 41.6% in Q4FY25; PLe: 42.4%), up QoQ by 90bps due to decrease in raw material costs.
- EBITDAM shrinks by 190bps YoY:** EBITDA decreased 26% YoY and 11% QoQ to Rs306mn (PLe: Rs386mn, Consensus: Rs371mn) with a margin of 9.1% (PLe: 11%) as against a margin of 11% in Q1FY25 and of 10.1% in Q4FY25 due to increase in overheads cost. Reported PAT at Rs173mn decreased by 36% YoY/ 17% QoQ, due to lower other income and higher sequential tax rate. PAT margins were at 5% vs 7% in Q1FY25 and 6% in Q4FY25.
- Concall takeaways:** (1) Volumes increased by 1% QoQ but declined by 7% YoY. (2) Aggressive dumping from China and other markets continues, resulting in muted domestic growth. (3) Anti-dumping investigations for major products have been found to be valid (~40% of the product portfolio); outcome is expected in the coming month. (4) Indian tire industry is expected to grow by mid-single digits supported by replacement tire demand. (5) International tire market has shown some uptick, supported by replacement tire demand. (6) Export markets for latex portfolio have been impacted, while non-latex portfolio is growing. (7) Global rubber chemicals market is growing at 2%, driven by growth in China and India, while other markets are witnessing

a decline. **(8)** TDQ antioxidant plants are running at full capacity. Expansion is underway at Dahej and on track; capex for this project is Rs2.5bn. **(9)** The Dahej project is expected to deliver an asset turnover of 1.8–2x. As of Mar'25, 30% of the project was complete, with majority of capex scheduled for FY26. **(10)** Revenue contribution from this project is expected from H2FY27. **(11)** Existing capacity utilization is at ~65% overall. **(12)** Export growth was around 3.5% during the quarter.

Exhibit 1: Q1FY26 Result Overview - Consolidated (Rs mn)

Y/e March	Q1FY26	Q1FY25	YoY gr. (%)	Q1FY26E	% Var.	Q4FY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Net Sales	3,362	3,722	(9.7)	3,554	(5.4)	3,397	(1.0)	14,822	13,927	6.4
Gross Profit	1,428	1,547	(7.7)	1,507	(5.3)	1,413	1.1	6,348	5,948	6.7
Margin (%)	42.5	41.6		42.4		41.6		42.8	42.7	
EBITDA	306	411	(25.5)	386	(20.8)	342	(10.6)	1,600	1,374	16.4
Margin (%)	9.1	11.0		10.9		10.1		10.8	9.9	
Other Income	66	93.4		85	(22.4)	56.2	17.4	400	321	
Depreciation	137	132	3.8	137	(0.3)	135	1.3	565	536	5.5
EBIT	235	372	(36.8)	334	(29.7)	263	(10.7)	1,435	1,159	23.8
Interest	4	5	(19.6)	5	(17.8)	4	2.8	18	18	0.6
PBT before excep	231	368	(37.1)	330	(29.8)	260	(10.9)	1,417	1,141	24.1
Total Tax	59	98	(39.8)	81	(27.4)	52	13.5	368	113	226.5
ETR (%)	25.4	26.6		24.6		19.9		26.0	9.9	
Adj. PAT	173	270	(36.1)	249	(30.6)	208	(17.0)	1,048	1,029	1.9
Exceptional Items										
PAT	173	270	(36.1)	249	(30.6)	208	(17.0)	1,048	1,029	1.9

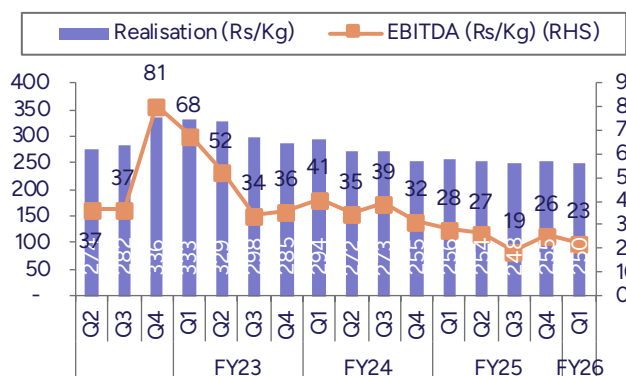
Source: Company, PL

Exhibit 2: Segmental Details (Assumptions)

Y/e March	Q1FY26	Q1FY25	YoY gr.	Q4FY25	QoQ gr.	FY26E	FY25	YoY gr.
Sales Volume (MT) – calculated	13,474	14,544	-7%	13,341	1%	57,192	54,992	4%
Avg Realization (Rs/ kg)	250	256	-2%	255	-2%	259	254	2%
Gross Profit (Rs / kg)	106	106	0%	106	0%	111	108	3%
EBITDA (Rs / kg)	23	28	-20%	26	-11%	28	25	12%

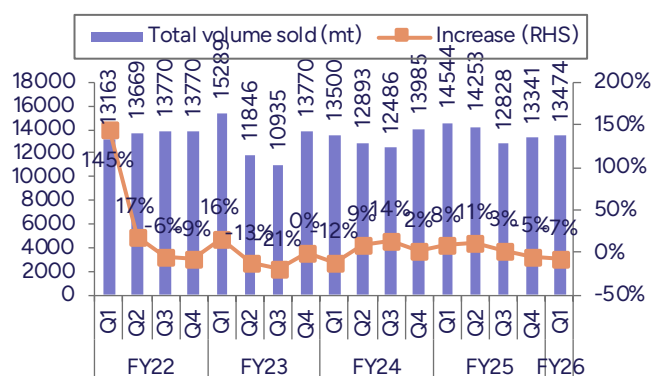
Source: Company, PL

Exhibit 3: Average realization at Rs250/kg in Q1FY26



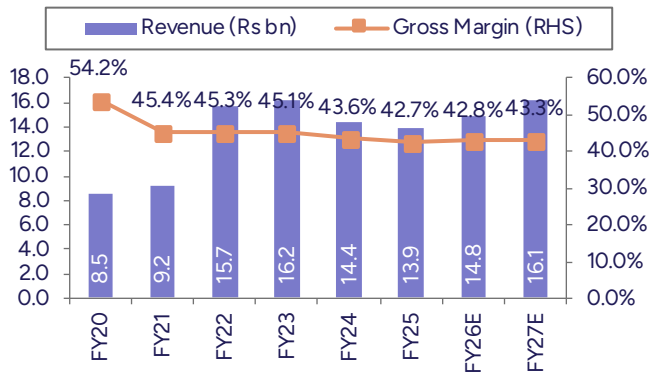
Source: Company, PL

Exhibit 4: Volumes improve 1% QoQ in Q1FY26



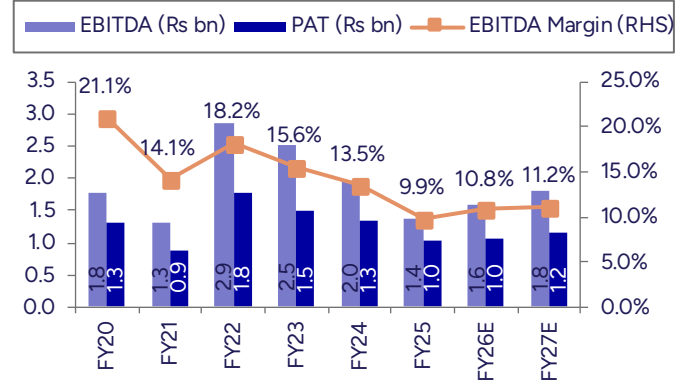
Source: Company, PL

Exhibit 5: Rev to grow at 9% CAGR in FY25-27E led by vol



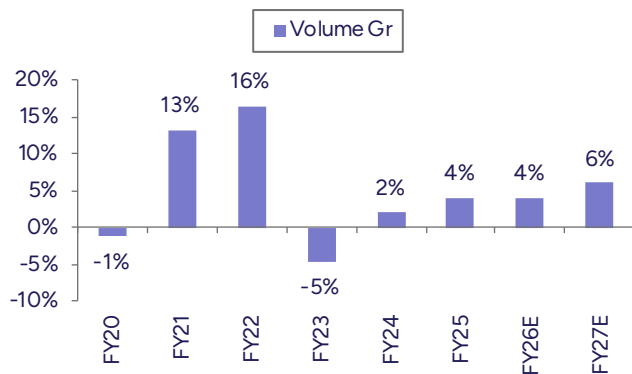
Source: Company, PL

Exhibit 6: Margins to hover around 11%



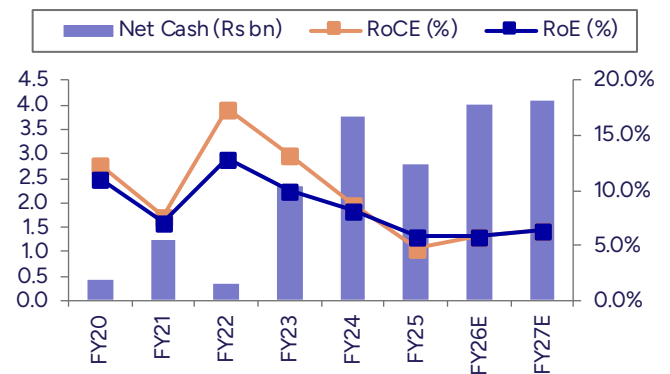
Source: Company, PL

Exhibit 7: Volumes to grow 6% in FY27



Source: Company, PL

Exhibit 8: Net cash BS with stable ratios



Source: Company, PL



Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	14,447	13,927	14,822	16,105
YoY gr. (%)	(10.6)	(3.6)	6.4	8.6
Cost of Goods Sold	8,151	7,979	8,474	9,133
Gross Profit	6,296	5,948	6,348	6,972
Margin (%)	43.6	42.7	42.8	43.3
Employee Cost	921	948	1,043	1,147
Other Expenses	3,425	3,626	3,706	4,026
EBITDA	1,950	1,374	1,600	1,799
YoY gr. (%)	(22.8)	(29.5)	16.4	12.4
Margin (%)	13.5	9.9	10.8	11.2
Depreciation and Amortization	528	536	565	598
EBIT	1,423	838	1,035	1,200
Margin (%)	9.8	6.0	7.0	7.5
Net Interest	16	18	18	18
Other Income	394	321	400	400
Profit Before Tax	1,800	1,141	1,417	1,582
Margin (%)	12.5	8.2	9.6	9.8
Total Tax	470	113	368	411
Effective tax rate (%)	26.1	9.9	26.0	26.0
Profit after tax	1,330	1,029	1,048	1,171
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,330	1,029	1,048	1,171
YoY gr. (%)	(10.8)	(22.7)	1.9	11.7
Margin (%)	9.2	7.4	7.1	7.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,330	1,029	1,048	1,171
YoY gr. (%)	(10.8)	(22.7)	1.9	11.7
Margin (%)	9.2	7.4	7.1	7.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,330	1,029	1,048	1,171
Equity Shares O/s (m)	167	167	167	167
EPS (Rs)	8.0	6.2	6.3	7.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	12,874	13,264	14,064	14,864
Tangibles	12,755	13,145	13,945	14,745
Intangibles	120	120	120	120
Acc: Dep / Amortization	4,180	4,716	5,282	5,880
Tangibles	4,093	4,629	5,194	5,793
Intangibles	88	88	88	88
Net fixed assets	8,694	8,548	8,783	8,984
Tangibles	8,662	8,516	8,751	8,952
Intangibles	32	32	32	32
Capital Work In Progress	162	598	598	598
Goodwill	-	-	-	-
Non-Current Investments	1,462	1,569	1,569	1,569
Net Deferred tax assets	(1,249)	(1,100)	(1,100)	(1,100)
Other Non-Current Assets	76	519	519	519
Current Assets				
Investments	2,808	2,434	2,434	2,434
Inventories	2,228	2,814	2,633	2,861
Trade receivables	3,402	3,102	3,301	3,587
Cash & Bank Balance	955	335	1,552	1,670
Other Current Assets	275	564	141	154
Total Assets	20,152	20,570	21,542	22,388
Equity				
Equity Share Capital	1,667	1,670	1,670	1,670
Other Equity	15,319	15,952	16,501	17,172
Total Networth	16,986	17,622	18,171	18,842
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	152	173	173	173
Other non current liabilities	109	71	71	71
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	1,181	1,182	1,624	1,765
Other current liabilities	476	421	402	437
Total Equity & Liabilities	20,152	20,570	21,542	22,388

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	1,800	1,141	1,417	1,582
Add. Depreciation	528	536	565	598
Add. Interest	16	18	18	18
Less Financial Other Income	394	321	400	400
Add. Other	(414)	(294)	(400)	(400)
Op. profit before WC changes	1,930	1,401	1,600	1,799
Net Changes-WC	481	(801)	889	(355)
Direct tax	(402)	(344)	(354)	(407)
Net cash from Op. activities	2,009	256	2,135	1,036
Capital expenditures	(169)	(1,203)	(800)	(800)
Interest / Dividend Income	122	220	400	400
Others	(727)	614	-	-
Net Cash from Invt. activities	(774)	(370)	(400)	(400)
Issue of share cap. / premium	1	47	-	-
Debt changes	-	-	-	-
Dividend paid	(501)	(502)	(500)	(500)
Interest paid	(16)	(18)	(18)	(18)
Others	(37)	(32)	35	-
Net cash from Fin. activities	(553)	(505)	(483)	(518)
Net change in cash	683	(619)	1,253	118
Free Cash Flow	1,655	(970)	1,335	236

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	8.0	6.2	6.3	7.0
CEPS	11.1	9.4	9.7	10.6
BVPS	101.9	105.5	108.8	112.8
FCF	9.9	(5.8)	8.0	1.4
DPS	3.0	3.0	3.0	3.0
Return Ratio(%)				
RoCE	8.8	4.8	5.8	6.5
ROIC	8.0	5.4	5.3	6.1
RoE	8.2	5.9	5.9	6.3
Balance Sheet				
Net Debt : Equity (x)	(0.2)	(0.2)	(0.2)	(0.2)
Net Working Capital (Days)	112	124	106	106
Valuation(x)				
PER	21.8	28.3	27.8	24.9
P/B	1.7	1.7	1.6	1.5
P/CEPS	15.6	18.6	18.0	16.5
EV/EBITDA	13.0	19.2	15.7	13.9
EV/Sales	1.8	1.9	1.7	1.6
Dividend Yield (%)	1.7	1.7	1.7	1.7

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Net Revenue	3,627	3,181	3,397	3,362
YoY gr. (%)	3.4	(6.6)	(4.7)	(9.7)
Raw Material Expenses	2,055	1,765	1,984	1,934
Gross Profit	1,572	1,416	1,413	1,428
Margin (%)	43.3	44.5	41.6	42.5
EBITDA	378	240	342	306
YoY gr. (%)	(16.5)	(50.8)	(23.4)	(25.5)
Margin (%)	10.4	7.6	10.1	9.1
Depreciation / Depletion	134	136	135	137
EBIT	245	105	207	169
Margin (%)	6.7	3.3	6.1	5.0
Net Interest	5	5	4	4
Other Income	84	91	56	66
Profit before Tax	323	191	260	231
Margin (%)	8.9	6.0	7.6	6.9
Total Tax	(97)	62	52	59
Effective tax rate (%)	(30.2)	32.4	19.9	25.4
Profit after Tax	421	129	208	173
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	421	129	208	173
YoY gr. (%)	54.9	(57.0)	(50.0)	(36.1)
Margin (%)	11.6	4.1	6.1	5.1
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	421	129	208	173
YoY gr. (%)	54.9	(57.0)	(50.0)	(36.1)
Margin (%)	11.6	4.1	6.1	5.1
Other Comprehensive Income	(290)	156	(600)	61
Total Comprehensive Income	131	285	(393)	233
Avg. Shares O/s (m)	167	167	167	167
EPS (Rs)	2.5	0.8	1.2	1.0

Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales Volume Growth (%)	2.0	4.0	4.0	6.0
Avg Realisations Growth (%)	(12.4)	(7.0)	2.0	2.5
EBITDA (Rs/kg)	36.9	25.0	28.0	29.7
Capex (Rs bn)	0.4	1.2	0.8	0.8

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jul-25	Reduce	172	200
2	19-May-25	Reduce	172	184
3	08-Apr-25	Reduce	156	166
4	07-Feb-25	Reduce	209	223
5	08-Jan-25	Reduce	226	247
6	29-Oct-24	Reduce	256	275
7	05-Oct-24	Reduce	270	284
8	09-Aug-24	Reduce	262	303

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Hold	420	407
2	Bharat Petroleum Corporation	Reduce	311	332
3	Bharti Airtel	Accumulate	2,090	1,930
4	Clean Science and Technology	Hold	1,425	1,445
5	Deepak Nitrite	Reduce	1,799	1,963
6	Fine Organic Industries	BUY	5,440	5,269
7	GAIL (India)	Hold	180	181
8	Gujarat Fluorochemicals	Hold	3,580	3,486
9	Gujarat Gas	Hold	432	431
10	Gujarat State Petronet	Hold	348	335
11	Hindustan Petroleum Corporation	Sell	360	437
12	Indian Oil Corporation	Reduce	138	148
13	Indraprastha Gas	Reduce	186	205
14	Jubilant Ingrevia	Hold	743	777
15	Laxmi Organic Industries	Reduce	179	196
16	Mahanagar Gas	Accumulate	1,559	1,483
17	Mangalore Refinery & Petrochemicals	Accumulate	152	139
18	Navin Fluorine International	Accumulate	5,559	5,198
19	NOCIL	Reduce	172	200
20	Oil & Natural Gas Corporation	Accumulate	284	241
21	Oil India	BUY	566	436
22	Petronet LNG	Hold	311	302
23	Reliance Industries	Accumulate	1,555	1,476
24	SRF	Hold	3,071	3,150
25	Vinati Organics	Accumulate	1,882	1,944

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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