

# Navin Fluorine International Limited

## Result Update Presentation

FY17

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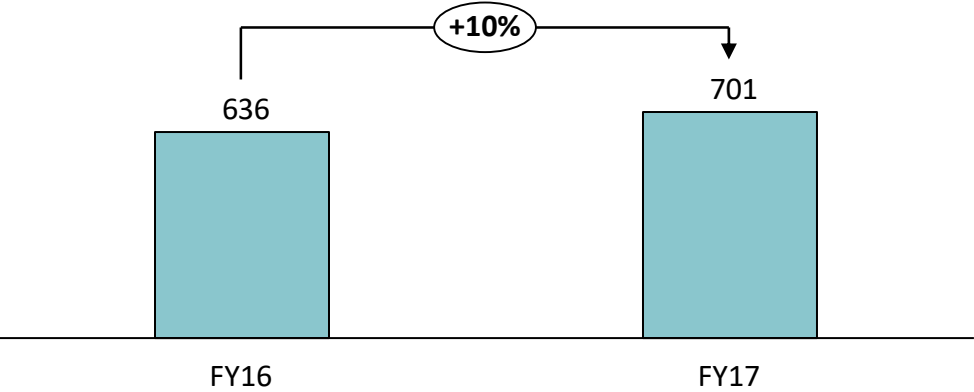
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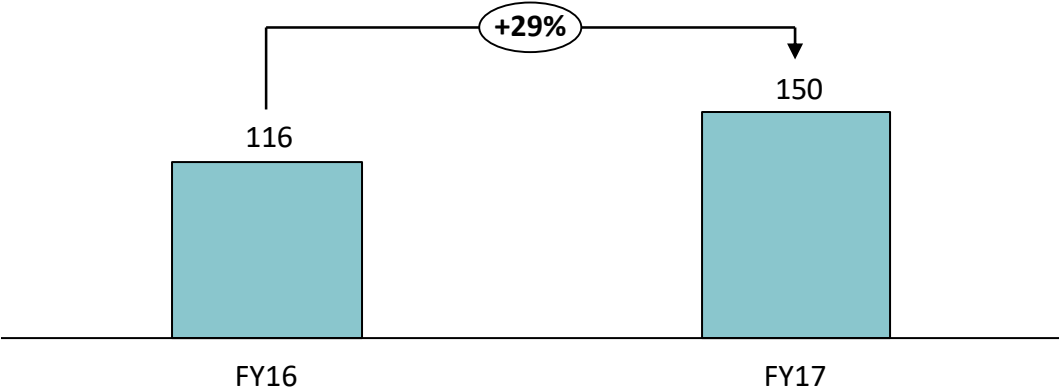
# Standalone Financial Highlights



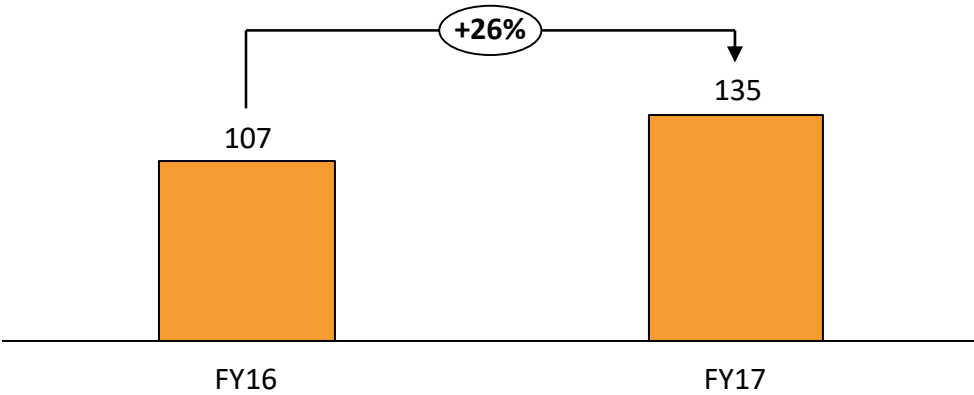
Revenue



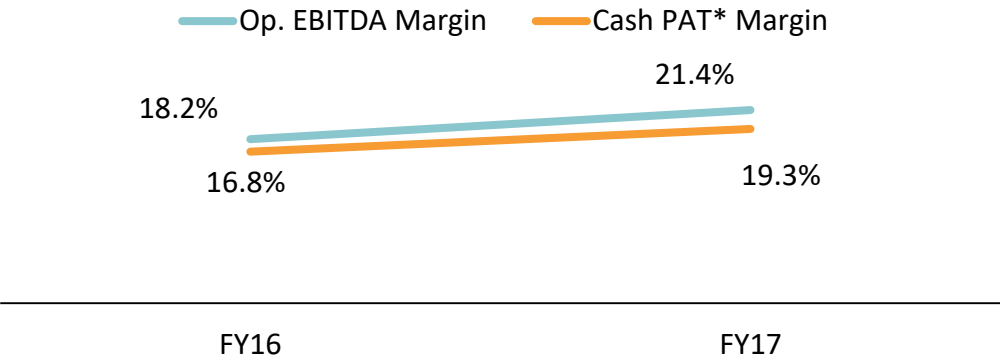
Operating EBITDA



\*Cash PAT

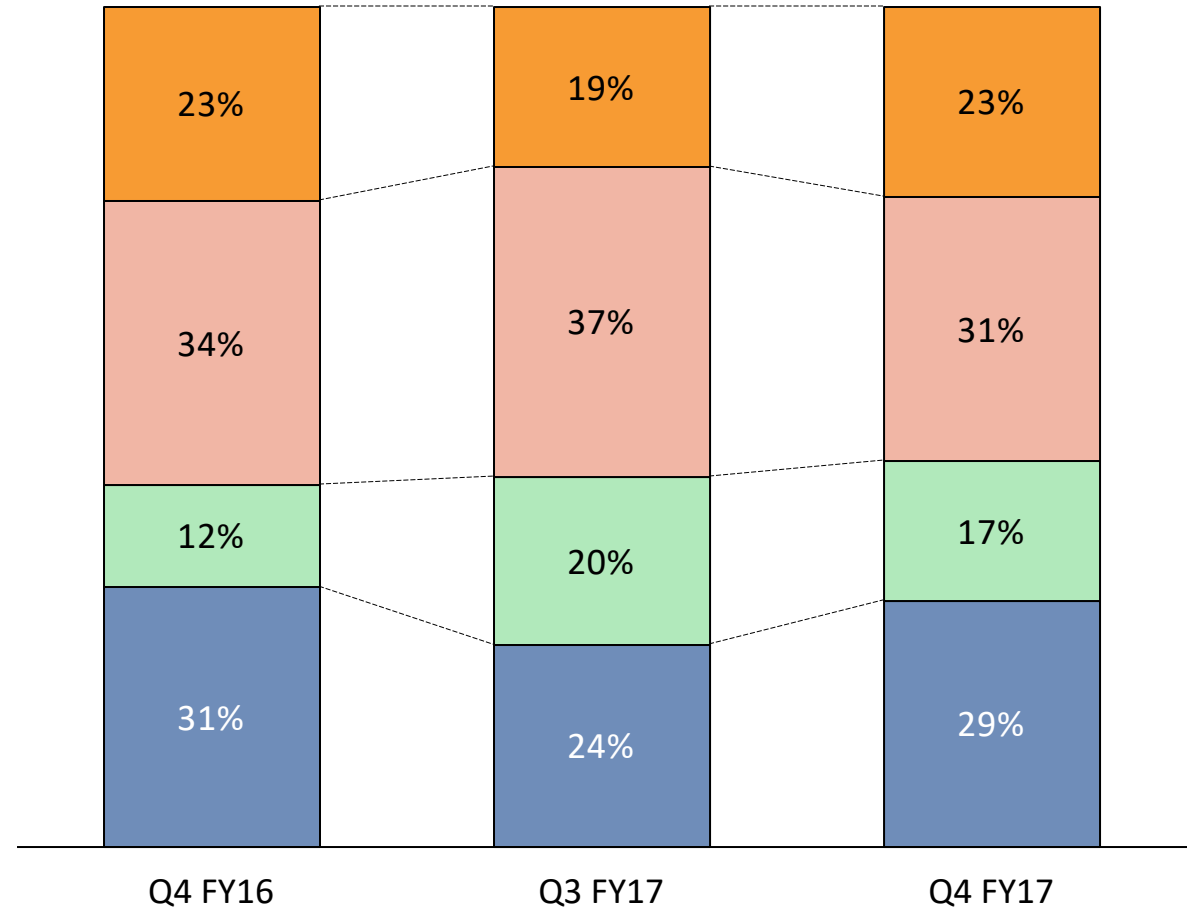
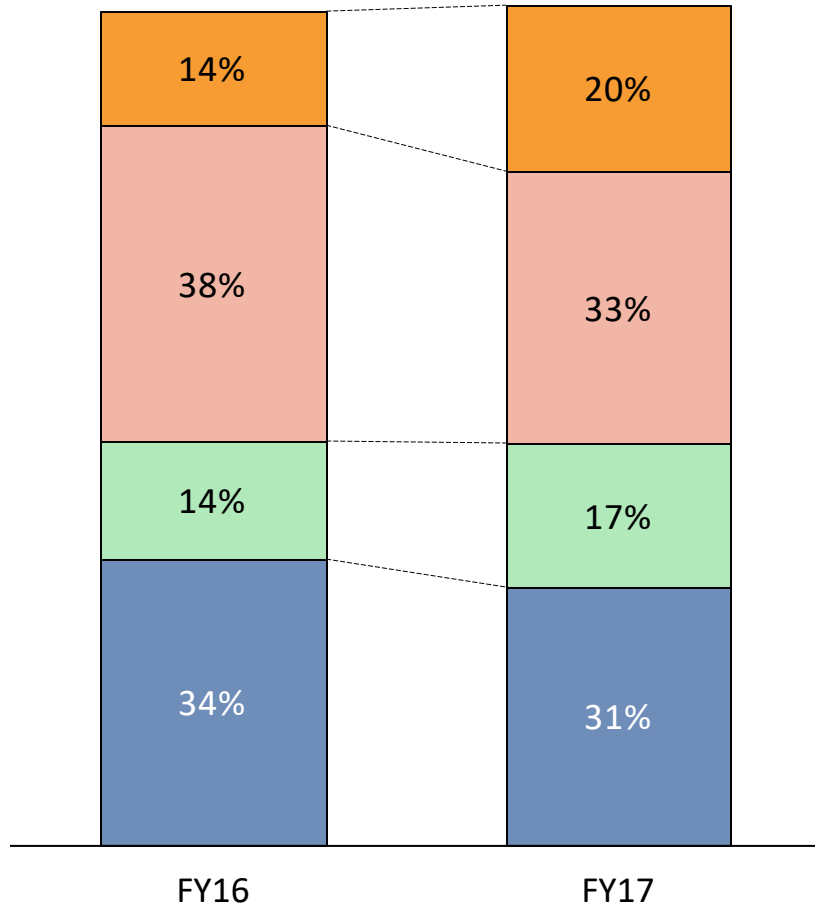


Margins



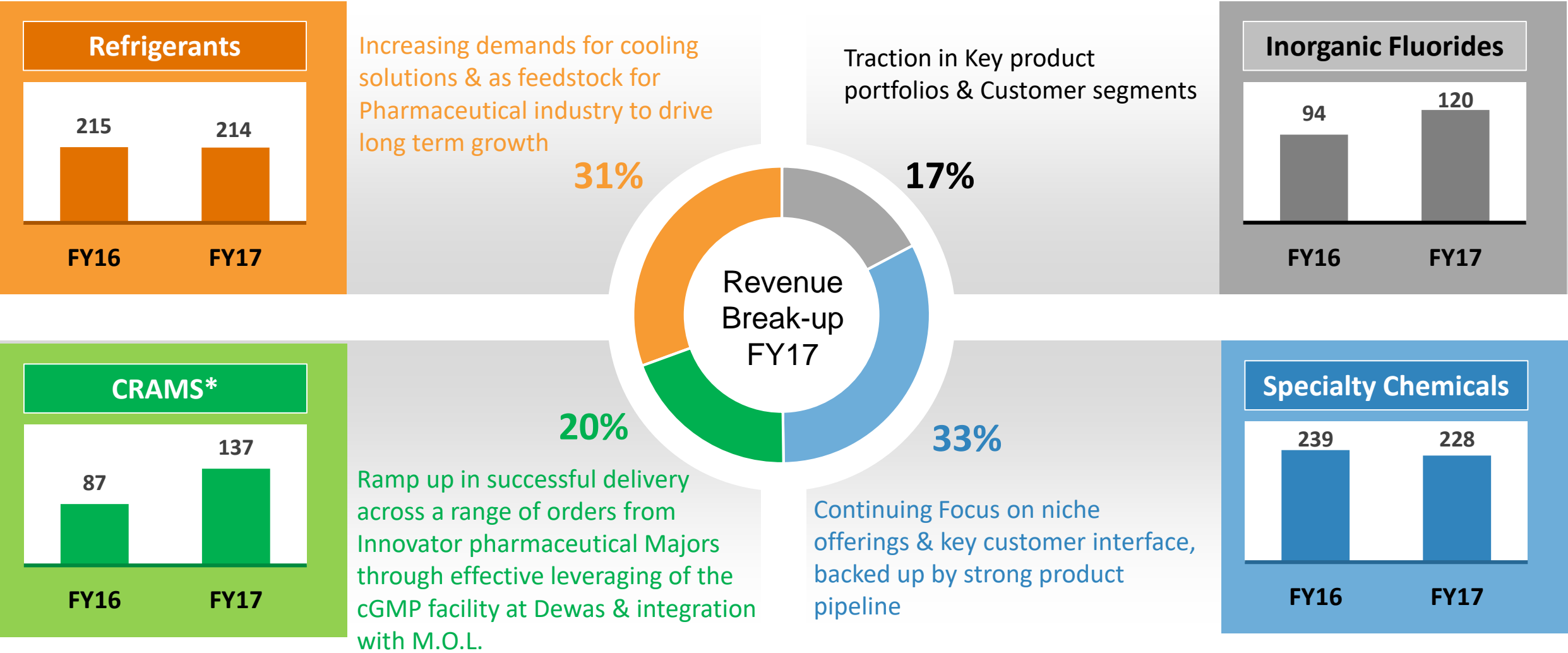
\* Cash Profit = Adjusted PAT + Depreciation  
Rs Crs

# Revenue Mix : Business Unit Wise



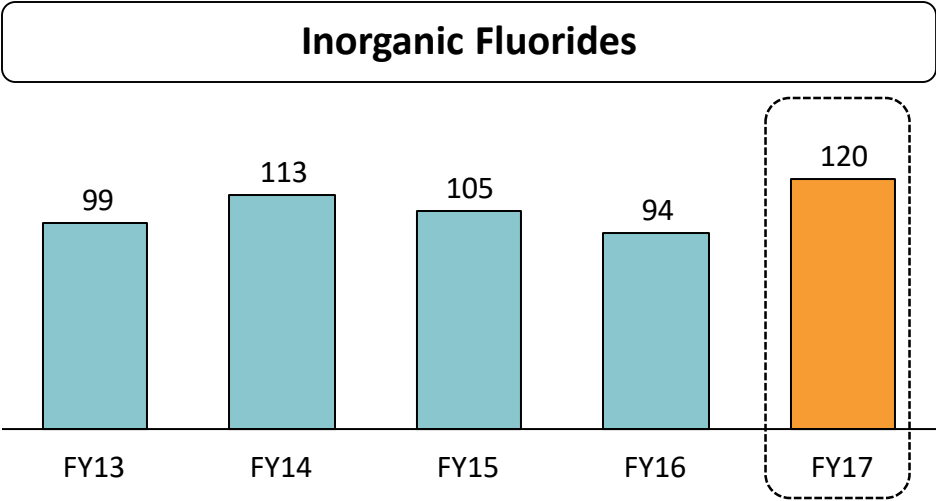
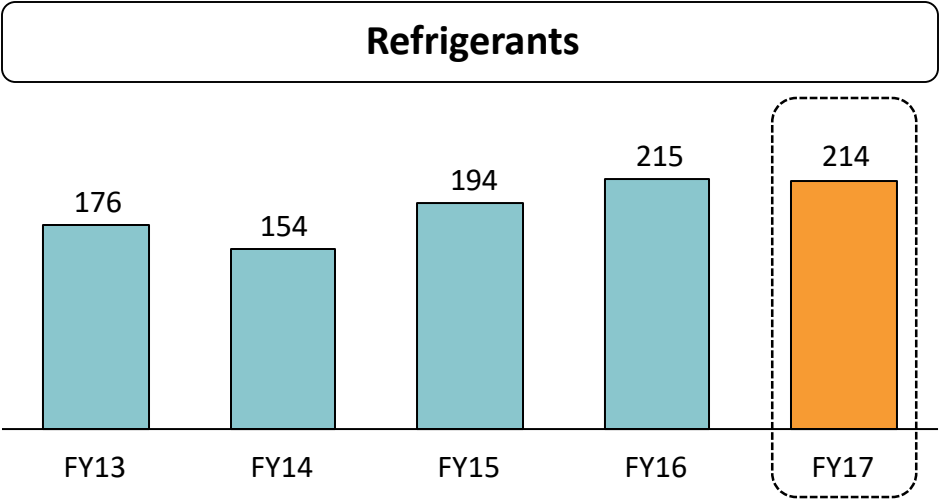
■ CRAMS 
 ■ Specialty Chemicals 
 ■ Inorganic Fluorides 
 ■ Refrigerant Gases

# Annual Financial Performance

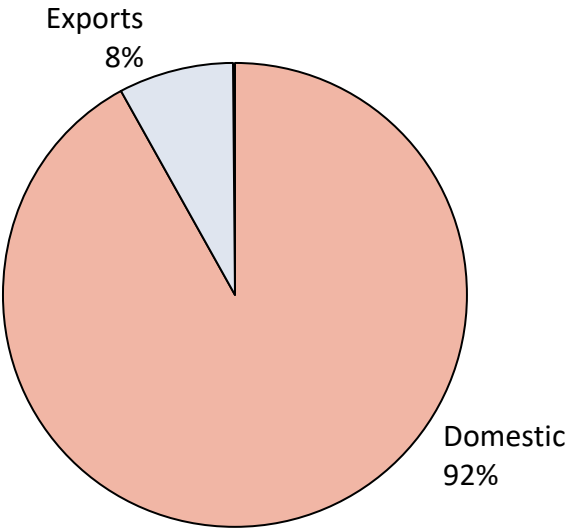
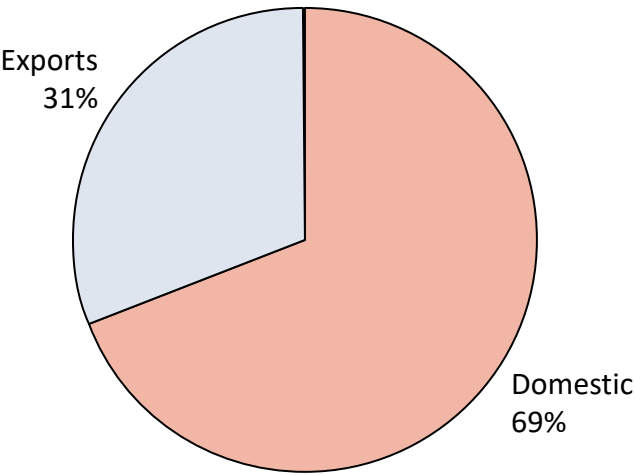


\* CRAMS business generating revenue since FY13

# Business Units Performance



Revenue (Rs. Crs)

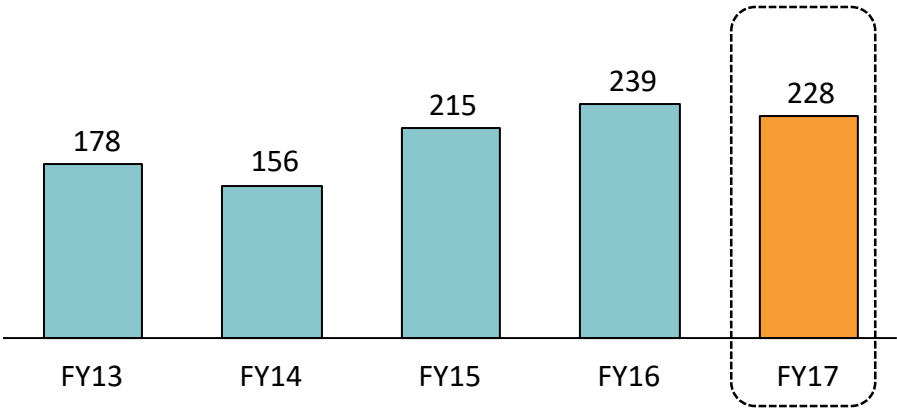


Geographic Mix – FY17

# Business Units Performance

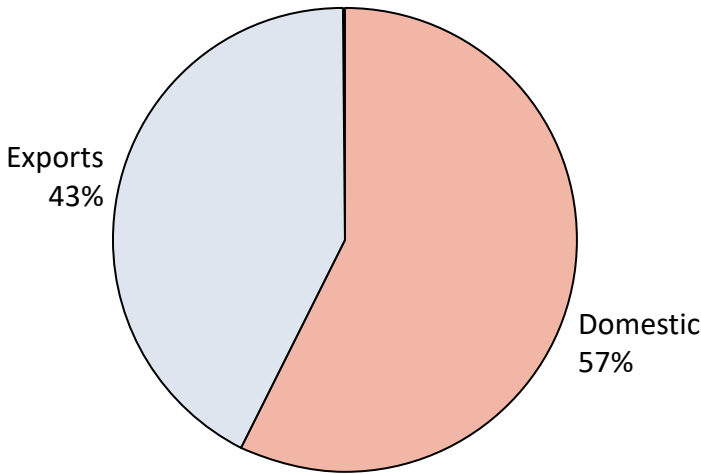
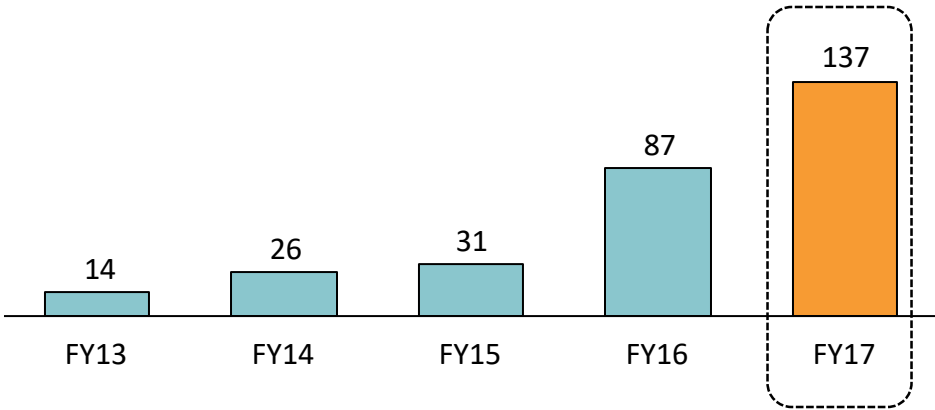


## Specialty Chemicals



Revenue (Rs. Crs)

## CRAMS\*\*



Geographic Mix – FY17

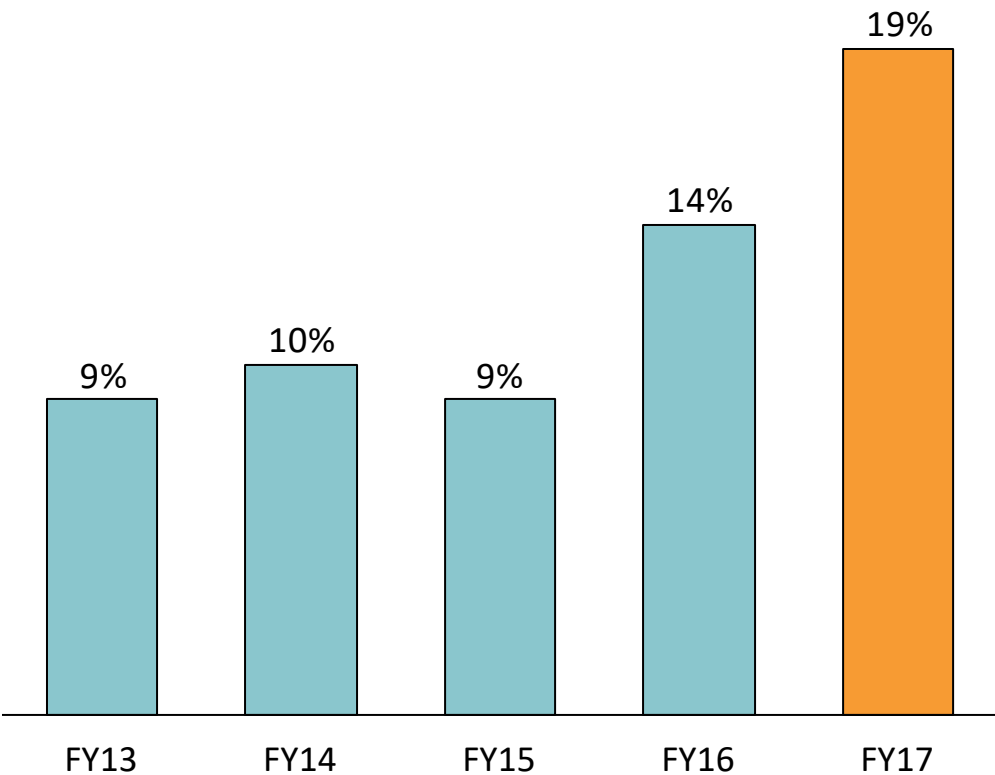


\*\* CRAMS business generating revenue since FY13  
\* Standalone Results

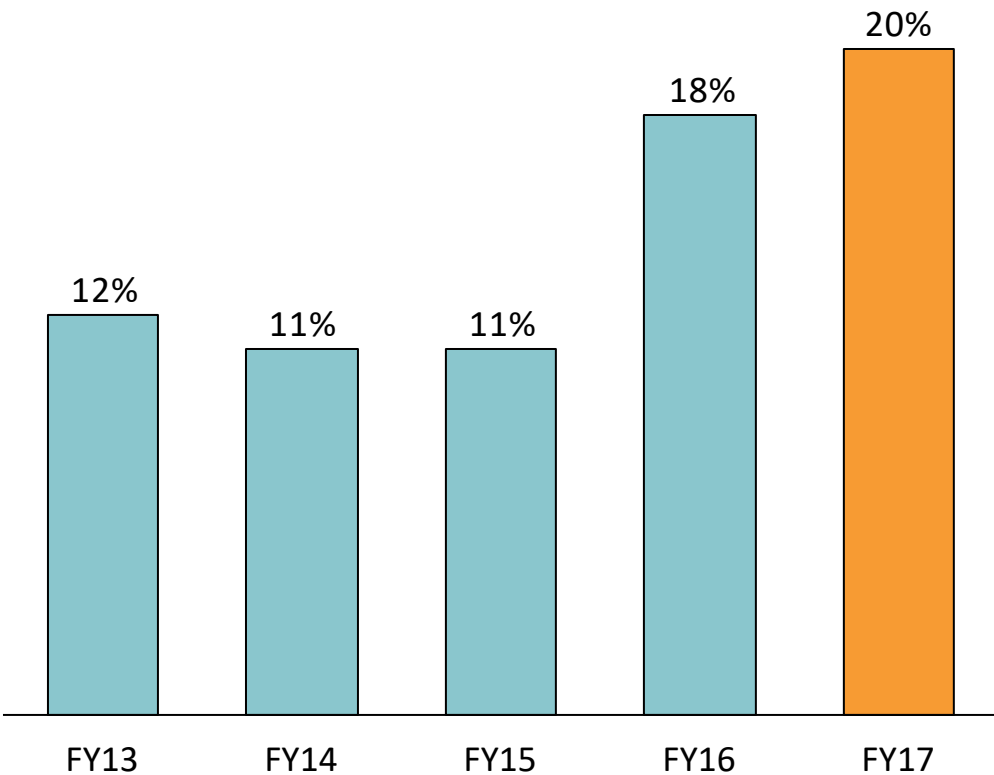
# Strategy Begins to Yield Results



Return on Net Worth (%)



Return on Capital Employed (%)





# Key Updates during the year

## Manufacturing Facility at Dewas

- India's only plant with cGMP compliant capabilities for high pressure fluorination
- Numerous Customer Audits completed successfully
- Plant commercially operational

## Greenfield Facility at Dahej, Gujarat

- JV with Piramal Enterprises Ltd. to develop, manufacture and sell speciality Fluorochemicals for healthcare segment
- **Product validation has been concluded, commercial supplies started**
- **Board approved transfer of unit to JV; subject to shareholders approval**

## Entered into agreement with Honeywell

- For a small scale manufacturing project on HFO-1234 yf
- Next Generation Refrigerant Gas with GWP less than 1
- For use in vehicle air conditioning systems

## Family Settlement & Succession Plan

- Restructuring of Promoter shareholding between shareholding in Group Companies as part of agreement executed amongst Promoter, Promoter Group & three listed entities i.e. Mafatlal Industries Ltd., NOCIL Ltd., and Navin Fluorine International Ltd.

## CARE Ratings – Reaffirmed

- For Long Term Fund based banking facilities at “**CARE AA**”
- For Short Term Non-Fund based banking facilities including commercial paper at “**CARE A1 +**”

## Inclusion in MSCI India Domestic Small Cap Index

- Morgan Stanley Capital International (MSCI) selected the company as a constituent of the above index w.e.f November 30, 2016

## Sub-division of equity shares

- Sub-division of equity shares of face value Rs. 10/- each into 5 equity shares of Rs. 2/- each to improve liquidity

# Standalone Profitability Statement

Particulars (Rs. Crs.)	FY17	FY16	Change %	Q4 FY17	Q4 FY16	Change %
<b>Revenue</b>	<b>701</b>	<b>636</b>	<b>10%</b>	<b>201</b>	<b>190</b>	<b>6%</b>
Raw Material	286	292		80	88	
Employee Expenses	77	66		21	19	
Other Expenses	189	162		60	47	
<b>Operating EBITDA</b>	<b>150</b>	<b>116</b>	<b>29%</b>	<b>39</b>	<b>36</b>	<b>8%</b>
<b>Operating EBITDA Margin</b>	<b>21.4%</b>	<b>18.2%</b>	<b>320 bps</b>	<b>19.4%</b>	<b>18.9%</b>	<b>50 bps</b>
Interest Expenses	0	3		0	1	
Depreciation	28	21		10	6	
<b>Operating PBT</b>	<b>121</b>	<b>92</b>	<b>32%</b>	<b>28</b>	<b>29</b>	<b>-3%</b>
<b>Operating PBT Margin</b>	<b>17.3%</b>	<b>14.5%</b>	<b>280 bps</b>	<b>13.9%</b>	<b>15.3%</b>	<b>-140 bps</b>
Other Income	30	25		11	8	
PBT before exceptional item	151	117		39	37	
Exceptional items	27	0		0	0	
PBT after exceptional items	178	117		39	37	
Tax	44	30		10	5	
<b>Profit After Tax</b>	<b>134</b>	<b>86</b>	<b>56%</b>	<b>29</b>	<b>32</b>	<b>-9%</b>
<b>Adjusted PAT*</b>	<b>107</b>	<b>86</b>	<b>24%</b>	<b>29</b>	<b>32</b>	<b>-9%</b>
<b>Adjusted PAT* Margin</b>	<b>15.3%</b>	<b>13.5%</b>	<b>180 bps</b>	<b>14.4%</b>	<b>16.8%</b>	<b>-240 bps</b>
<b>Cash Profit**</b>	<b>135</b>	<b>107</b>	<b>26%</b>	<b>40</b>	<b>37</b>	<b>8%</b>
<b>Cash Profit** Margin</b>	<b>19.3%</b>	<b>16.8%</b>	<b>250 bps</b>	<b>19.9%</b>	<b>19.5%</b>	<b>40 bps</b>

\* Adjusted PAT = PAT - Exceptional Items

\*\* Cash Profit = Adjusted PAT + Depreciation



# Standalone Balance Sheet

Equity and Liabilities (Rs. Crs.)	Mar'17	Mar'16
<b>Shareholder's Fund</b>	<b>748</b>	<b>634</b>
Share capital	10	10
Reserves & Surplus	738	624
<b>Non-current liabilities</b>	<b>69</b>	<b>63</b>
Long term borrowings	0	0
Deferred Tax Liabilities (net)	42	36
Other non-current liabilities	19	21
Long Term Provisions	7	6
<b>Current liabilities</b>	<b>250</b>	<b>152</b>
Short term borrowings	0	30
Trade Payables	92	92
Other current liabilities	143	12
Short Term Provision	15	18
<b>Total Equity and Liabilities</b>	<b>1,067</b>	<b>849</b>

Assets (Rs. Crs.)	Mar'17	Mar'16
<b>Non-current assets</b>	<b>690</b>	<b>542</b>
Fixed assets	428	282
<i>Tangible Assets</i>	<i>411</i>	<i>267</i>
<i>Intangible Assets</i>	<i>0</i>	<i>1</i>
<i>Capital Work in Progress</i>	<i>17</i>	<i>14</i>
Non-current Investments	212	213
Long-term loans and advances	50	48
<b>Current assets</b>	<b>377</b>	<b>306</b>
Current Investments	80	53
Inventories	99	63
Trade receivables	129	139
Cash and bank balances	30	15
Short Term Loans & Advances	37	34
Other current assets	2	3
<b>Total Assets</b>	<b>1,067</b>	<b>849</b>

# Consolidated Profitability Statement

Particulars (Rs. Crs.)	FY17	FY16	Change %
<b>Revenue</b>	<b>748</b>	<b>680</b>	<b>10%</b>
Raw Material	303	311	
Employee Expenses	92	81	
Other Expenses	195	171	
<b>Operating EBITDA</b>	<b>158</b>	<b>117</b>	<b>35%</b>
<b>Operating EBITDA Margin</b>	<b>21.1%</b>	<b>17.2%</b>	<b>390 bps</b>
Interest Expenses	2	4	
Depreciation	30	22	
<b>Operating PBT</b>	<b>126</b>	<b>91</b>	<b>38%</b>
<b>Operating PBT Margin</b>	<b>16.8%</b>	<b>13.4%</b>	<b>340 bps</b>
Other Income	31	24	
PBT before exceptional item	157	116	
Exceptional items	27	0	
PBT after exceptional items	184	116	
Tax	46	32	
<b>Profit After Tax</b>	<b>138</b>	<b>84</b>	<b>64%</b>
<b>Adjusted PAT*</b>	<b>111</b>	<b>84</b>	<b>32%</b>
<b>Adjusted PAT* Margin</b>	<b>14.8%</b>	<b>12.4%</b>	<b>240 bps</b>
<b>Cash Profit**</b>	<b>141</b>	<b>106</b>	<b>33%</b>
<b>Cash Profit ** Margin</b>	<b>18.9%</b>	<b>15.6%</b>	<b>330 bps</b>

\* Adjusted PAT = PAT - Exceptional Items

\*\* Cash Profit = Adjusted PAT + Depreciation



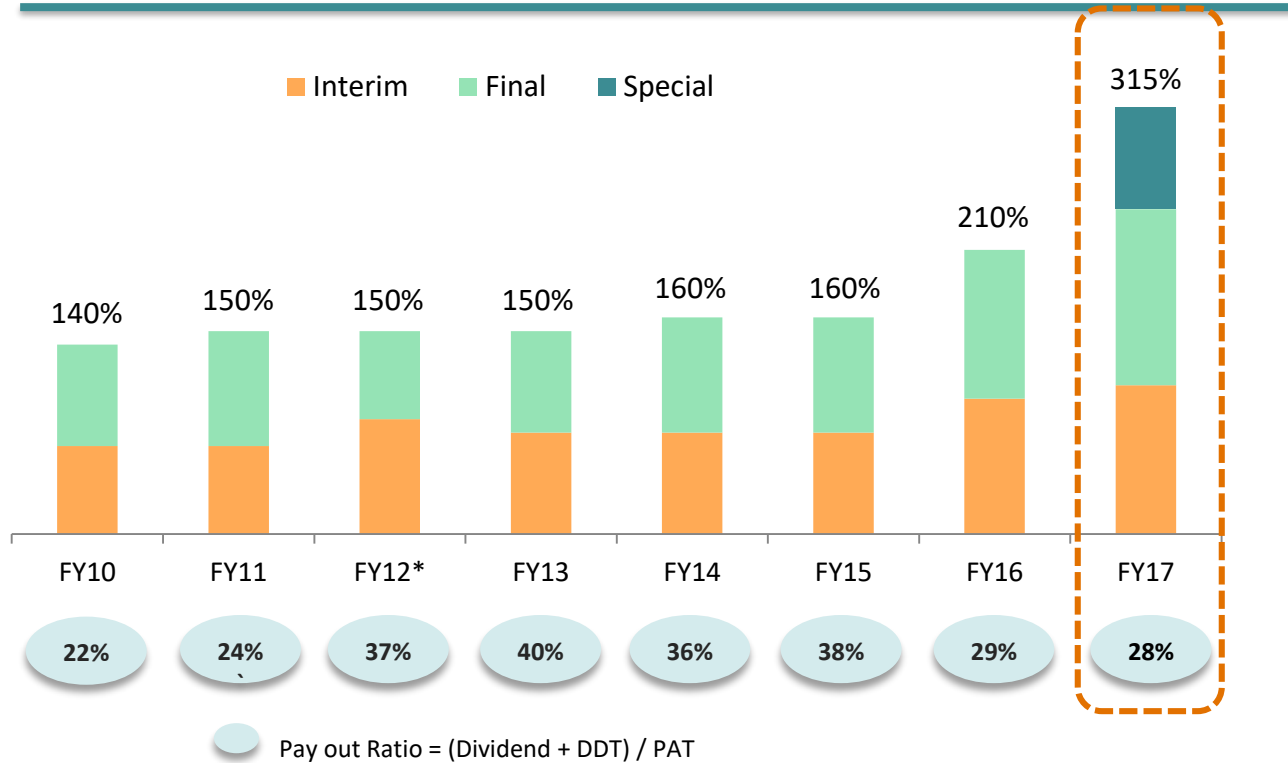
# Consolidated Balance Sheet

Equity and Liabilities (Rs. Crs.)	Mar'17	Mar'16
<b>Shareholder's Fund</b>	<b>765</b>	<b>645</b>
Share capital	10	10
Reserves & Surplus	755	636
<b>Minority Interest</b>	<b>0</b>	<b>0</b>
<b>Non-current liabilities</b>	<b>123</b>	<b>113</b>
Long term borrowings	51	48
Deferred Tax Liabilities (net)	43	37
Other non-current liabilities	21	23
Long Term Provisions	7	6
<b>Current liabilities</b>	<b>220</b>	<b>196</b>
Short term borrowings	19	34
Trade Payables	94	96
Other current liabilities	93	49
Short Term Provision	15	18
<b>Total Equity and Liabilities</b>	<b>1,107</b>	<b>955</b>

Assets (Rs. Crs.)	Mar'17	Mar'16
<b>Non-current assets</b>	<b>689</b>	<b>608</b>
Fixed assets	460	307
<i>Tangible Assets</i>	<i>428</i>	<i>286</i>
<i>Intangible Assets</i>	<i>0</i>	<i>1</i>
<i>Capital Work in Progress</i>	<i>31</i>	<i>20</i>
Goodwill on Consolidation	88	88
Non-current Investments	108	117
Long-term loans and advances	33	96
<b>Current assets</b>	<b>419</b>	<b>347</b>
Current Investments	80	53
Inventories	113	76
Trade receivables	136	151
Cash and bank balances	48	29
Short Term Loans & Advances	38	34
Other current assets	4	4
<b>Total Assets</b>	<b>1,107</b>	<b>955</b>

# Consistent Dividend Performance

Dividend as % of Face Value



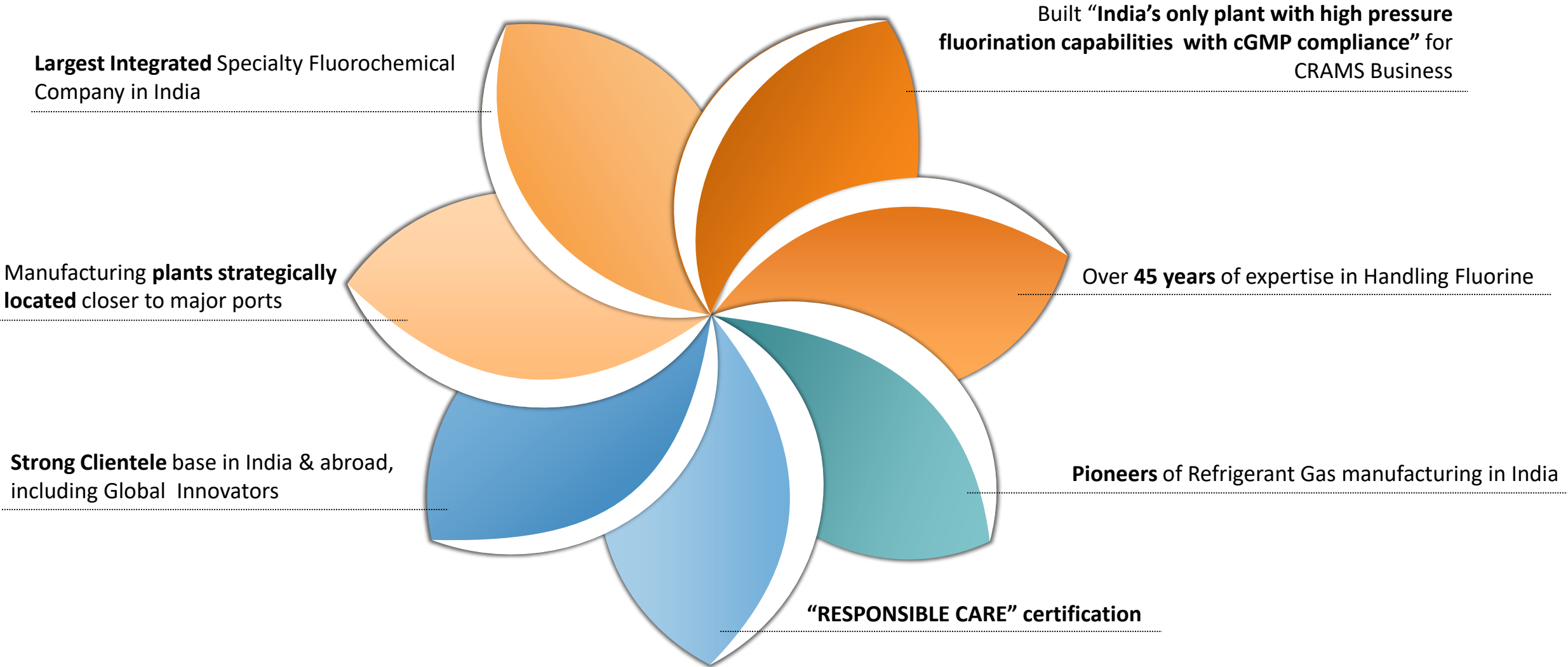
Robust Dividend Payout

- ✓ Continuous Dividend since last 10 years
- ✓ Special Dividend of Rs. 60.00 per share in FY12
- ✓ Declared Interim Dividend of Rs. 11.00 per share and a Special Dividend of Rs. 7.50 per share on 24<sup>th</sup> Oct. 2016
- ✓ Recommended Final Dividend of Rs. 13.00 per share in FY17; subject to approval of shareholders

**Total Dividend of Rs. 31.50 per share in FY17 including the Special Dividend of Rs. 7.50 per share and Interim Dividend of Rs. 11.00 per share**

# *Business Overview*







# Business Units (BU) – Standalone

Focus on “Rising up Fluorine Value-Chain” with better profitably

## CRAMS

- Leveraging our proven skills in Fluorination Chemistry
- CRAMS for custom chemical syntheses of fluorinated compounds for the pharmaceuticals, agro chemicals and speciality chemicals industries

## Specialty Chemicals

- Large Scale Manufacture of Specialty Fluoro Intermediates
- Dedicated multipurpose plants (MPP) to process multi step products and intermediates which are high in the value chain

## Refrigerants

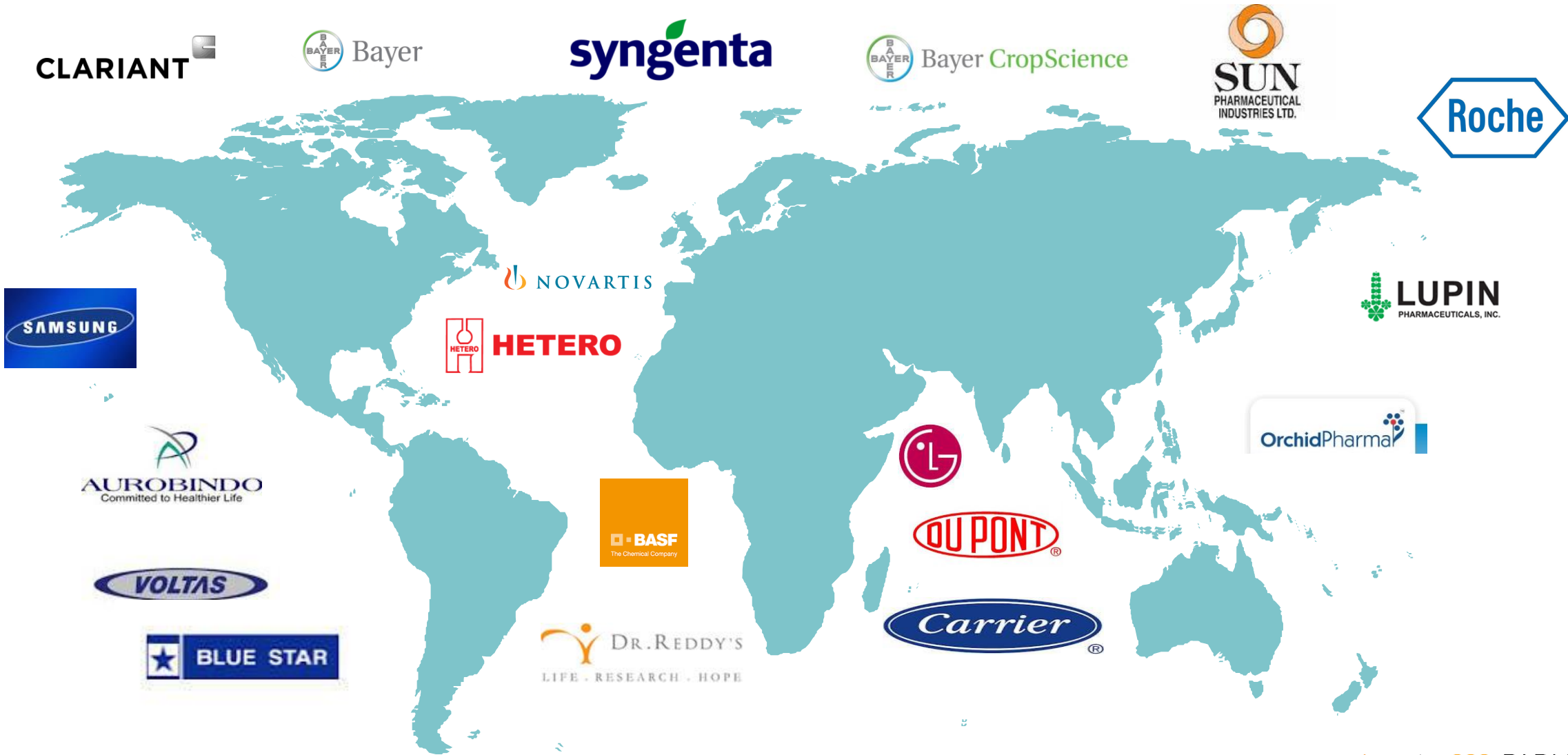
- Pioneer in Refrigerants in India
- Backward integrated into the manufacture of critical intermediates which are precursors to our Mafron brand of refrigerants

## Inorganic Fluorides

- Over 45 years of Expertise in Inorganic Fluoride Chemistry
- Long & rich experience in manufacturing various inorganic fluorides with capacity, flexibility and experienced work force as well as develop products as per customer's need



# Clients across the Globe



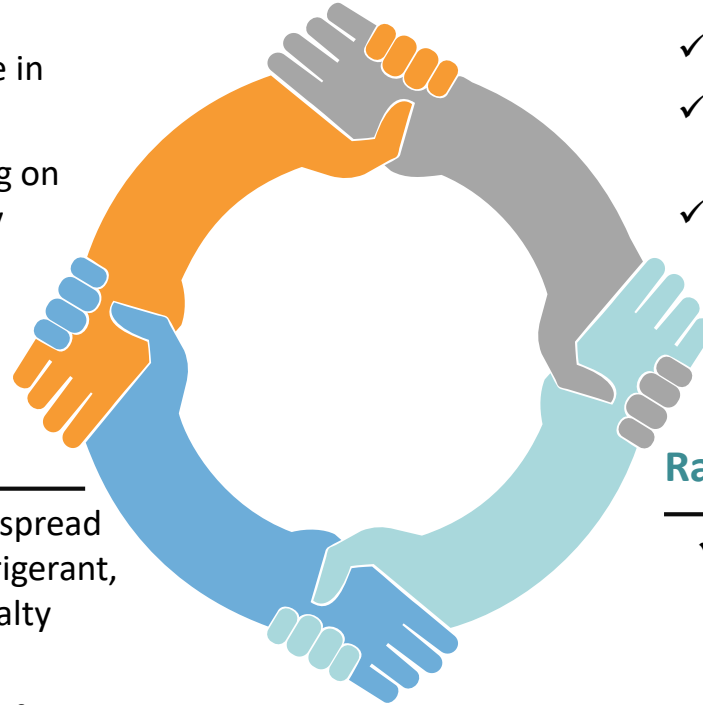
# Key Strengths

## Fluorination Capabilities

- ✓ Pioneered Manufacturing of Refrigerant Gases in India
- ✓ Over 45 years of experience in handling Fluorine
- ✓ Extensive expertise focusing on specialty fluorine chemistry

## Manufacturing

- ✓ Chemical Complex at Surat spread over 135 acres, houses Refrigerant, Inorganic Fluorides & Specialty Chemicals Plants
- ✓ cGMP Compliant Pilot plant for CRAMS in Dewas
- ✓ cGMP Compliant Manufacturing plant for CRAMS fully operational.



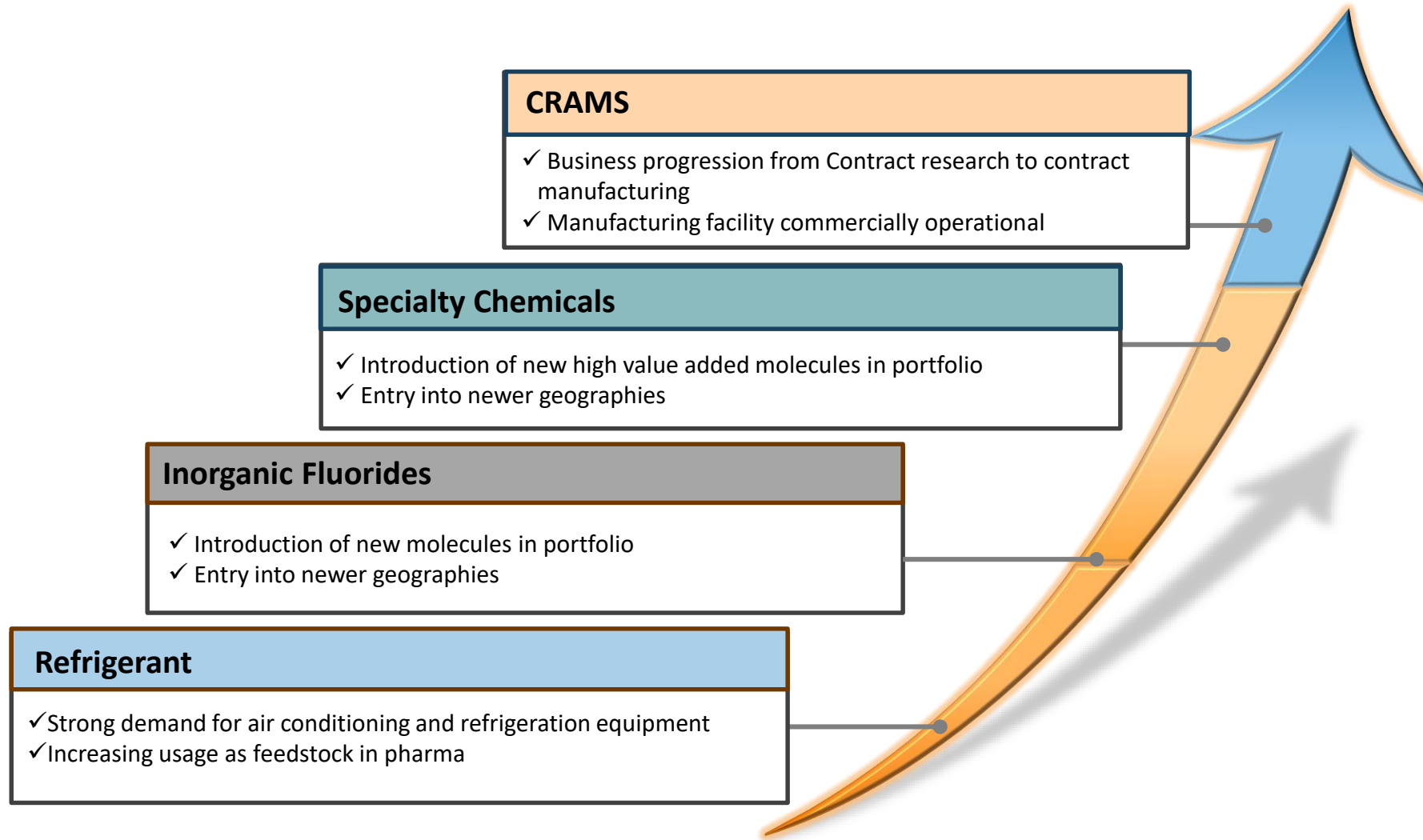
## In-house R&D

- ✓ State-of-the-art R&D centre – Navin Research Innovation Centre at Surat
- ✓ DSIR approved R&D Centre
- ✓ Supports in product addition & process efficiency in all business units
- ✓ R&D strength augmented by Manchester Organics Acquisition

## Raw Material Sourcing

- ✓ Backward integration for Raw material through 25% JV partner in the only Fluorspar beneficiation company in India
- ✓ Supply from JV to commence in FY18
- ✓ Diversified sourcing of Fluorspar away from China

# Growth driven by Every Business Unit



For further information, please contact:

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**Company :**

Navin Fluorine International Ltd.  
CIN : L24110MH1998PLC115499

Mr. Sitendu Nagchaudhuri  
Chief Financial Officer  
[sitendu.nagchaudhuri@nfil.in](mailto:sitendu.nagchaudhuri@nfil.in)

[www.nfil.in](http://www.nfil.in)

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**Investor Relations Advisors :**

Strategic Growth Advisors Pvt. Ltd.  
CIN : U74140MH2010PTC204285

Ms. Payal Dave / Mr Jigar Kavaiya  
98199 16314 / 99206 02034  
[payal.dave@sgapl.net](mailto:payal.dave@sgapl.net) / [jigar.kavaiya@sgapl.net](mailto:jigar.kavaiya@sgapl.net)

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