PADMANABH MAFATLAL GROUP

Creating value. Sharing value.

NAVIN FLUORINE INTERNATIONAL LIMITED

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Navin Fluorine International Limited ("**Company**" or "**Issuer**") was originally incorporated as 'Polyolefins Rubber Chemicals Limited' on June 25, 1998, as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 25, 1998 issued by the Registrar of Companies, Maharashtra at Mumbai ("**ROC**") and received a certificate of commencement of business from the RoC on August 7, 1998. Thereafter, the name of our Company was changed from '*Polyolefins Rubber Chemicals Limited*' to '*Navin Fluorine International Limited*' and subsequently, a fresh certificate of incorporation consequent on change of name was issued on October 6, 2004 by the RoC. For details of changes in the name, registered office and a brief history of our Company, see "***General Information***" on page 253.

Our Company is issuing up to 16,02,564 equity shares of face value of ₹ 2 each (the "**Equity Shares**") at a price of ₹ 4,680.00 per Equity Share (the "**Issue Price**"), including a premium of ₹ 4,678.00 per Equity Share, aggregating up to ₹ 750.00 crores (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 30.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES FRAMED THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT").

Our Company's Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). As on July 9, 2025, the closing price of the outstanding Equity Shares on BSE and NSE was ₹ 5,110.50 and ₹ 5,110.00 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE on July 7, 2025, and July 7, 2025, respectively. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

Copies of the Preliminary Placement Document and this Placement Document, which include disclosures prescribed under Form PAS-4 (as defined hereinafter), have been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. This Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Placement Document has not been and shall not be filed as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to this Placement Document is meant solely for Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

THE ISSUE AND DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBS (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBS. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "*RISK FACTORS*" ON PAGE 38 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS OF THE EQUITY SHARES OFFERED SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT AND/OR THIS PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

Invitations, offers and sale of Equity Shares to be issued pursuant to the Issue has only been made pursuant to the Preliminary Placement Document, together with the Application Form, this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "***Issue Procedure***" on page 208. The Preliminary Placement Document and this Placement Document relate to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent to any person other than the Eligible QIBs to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively.

The information on our websites, any website directly or indirectly linked to our websites or on the website of the Book Running Lead Manager (as defined hereinafter) or of its respective associates or affiliates does not constitute or form part of this Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

This Placement Document is dated July 10, 2025.

BOOK RUNNING LEAD MANAGER

JM FINANCIAL

JM Financial Limited

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company, our Subsidiaries and Joint Venture ("**Group**") and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Placement Document relating to our Group and the Equity Shares are in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Group and the Equity Shares are honestly held, have been arrived at after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Group. There are no other facts in relation to our Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company, our Subsidiaries nor the Book Running Lead Manager have any obligation to update such information to a later date.

The information contained in the Preliminary Placement Document and this Placement Document has been provided by our Company and from other sources identified herein. JM Financial Limited (the "**Book Running Lead Manager**" or "**BRLM**") has not separately verified all of the information contained in the Preliminary Placement Document and this Placement Document (financial, legal, or otherwise). Accordingly, neither the Book Running Lead Manager, nor any of its shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Manager and/or any of its shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in the Preliminary Placement Document and this Placement Document or any other information (financial, legal or otherwise) supplied in connection with the Group and the Equity Shares or its distribution. Each person receiving the Preliminary Placement Document and this Placement Document acknowledges that such person has not relied either on the Book Running Lead Manager or on any of its shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Group and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Book Running Lead Manager. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date. This Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue, in consultation with the Book Running Lead Manager or its representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions, and not further distribute or make any copies of this Placement Document or any documents referred to in this Placement Document. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been or will be taken by our Company and the Book Running Lead Manager that would permit an offering of the Equity Shares or distribution of this Placement Document in any

jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document, this Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively.

In making an investment decision, the prospective investors must rely on their own examination of our Group and the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of the Preliminary Placement Document and this Placement Document as business, legal, tax, accounting or investment advice and should consult their own counsels and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Group nor the Book Running Lead Manager are making any representation to any investor, purchaser, offeree or subscriber to the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of the Preliminary Placement Document or this Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each investor, purchaser, offeree or subscriber of the Equity Shares pursuant to the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in securities including the Equity Shares or otherwise accessing the capital markets in India. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Placement Document has been prepared for information purposes in relation to this Issue only and upon the express understanding that it will be used for the purposes set forth herein.

Neither our Company nor the Book Running Lead Manager is liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Our Company does not undertake to update this Placement Document to reflect subsequent events after the date of this Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and the QIBs shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

The information on the websites of our Group, including our Company's website, i.e. www.nfil.in, any website directly or indirectly linked to the website of our Group or to the website of the Book Running Lead Manager or any of its affiliates or agents, other than this Placement Document, does not and shall not constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively.

Any information about our Company available on any website of the Stock Exchanges, our Company or the BRLM, other than this Placement Document, shall not constitute a part of this Placement Document and no investment decision should be made on the basis of such information.

REPRESENTATIONS BY INVESTORS

All references to "you" or "your" in this section is to the Bidders in this Issue. By Bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged, and agreed to contents set forth in the sections "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 224 and 232, respectively, and have represented, warranted and acknowledged to and agreed to our Company and the Book Running Lead Manager, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Joint Venture or our Subsidiaries which is not set forth in the Preliminary Placement Document and this Placement Document;

2. You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (as defined hereinafter) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with the SEBI ICDR Regulations, the Companies Act and all other applicable laws, including any reporting obligations, making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

3. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter), and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

4. If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, or (ii) a multilateral or bilateral development financial institution and can participate in the Issue only under Schedule II of FEMA Rules. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You are eligible to invest in India under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets. Eligible FPIs shall participate in the Issue under Schedule II of the FEMA Rules.;

5. You are eligible to invest in and hold the Equity Shares of our Company in accordance with the FDI Policy (as defined hereinafter), read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules;

6. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

7. You are aware that in terms of the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50.00% or common control) shall be below 10.00% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that: (i) the individual investment of the FPI in our Company does not exceed 10.00% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis; and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10.00% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI;

8. You will provide the information as required under the Companies Act, 2013 and the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and any other applicable rules for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of

the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

9. If you are Allotted Equity Shares, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges (please note that there are additional requirements that apply if you are within the United States, for more information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively);

10. You are aware that the Preliminary Placement Document and this Placement Document has not been, and will not be, filed as a prospectus with the RoC, under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by SEBI, RBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document and this Placement Document has been filed with the Stock Exchanges for record purposes only and will be displayed on the websites of our Company and the Stock Exchanges;

11. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each of which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy and press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

12. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity and have obtained all necessary consents, governmental or otherwise, and authorisations, as may be required, and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

13. You have made the payment for subscription to the Equity Shares pursuant to the Issue from your own bank account. In case of joint holders, the monies have been paid from the bank account of the person whose name appears first in the Application Form;

14. Neither our Company, the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. Neither the Book Running Lead Manager nor any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

15. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and has been credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

16. All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, Subsidiaries, financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company or Subsidiaries' perspective present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Placement Document. None of our Company, the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Placement Document;

17. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Manager;

18. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" beginning on pages 208, 224 and 232, respectively;

19. You have been provided a serially numbered copy of this Placement Document, and have read it in its entirety, including in particular "***Risk Factors***" beginning on page 38;

20. In making your investment decision, you have (i) relied on your own examination of our Group, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Group, the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) relied solely on and in reliance of the information contained in this Placement Document and no other disclosure or representation by our Group or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

21. Neither our Company, the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Manager or any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the purchase, ownership and disposal of the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

22. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of an investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Manager or any of its respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares, and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

23. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

24. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act, 2013), and are not a person 'related to any of the Promoters' either directly or indirectly and your Bid does not directly or indirectly represent our 'Promoter' or 'Promoter Group' (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

25. You have no rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group or persons related to the Promoters, no veto rights or right to appoint any nominee director on the Board of Directors, other than the rights acquired, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights solely in the capacity of a lender shall not be deemed to be a person related to our Promoters);

26. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC (which shall include certain details such as your name, address and number of Equity Shares Allotted) as may be required under the Companies Act, 2013, and you consent to such disclosure being made by us;

27. You have no right to withdraw your Application Form or revise your Bid downwards after the Issue Closing Date;

28. You are eligible to Bid for and hold the Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that has been Allotted to a successful Bidder. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

29. The Bid made by you would not ultimately result in triggering a tender offer under the Securities Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

30. The aggregate number of Equity Shares Allotted to you under this Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50.00% of the Issue Size. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15.00% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIBs; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations.

31. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares are issued by the Stock Exchanges;

32. You are aware that in relation to the Issue, (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares to be issued pursuant to this Issue will be obtained in time or at all. Neither of our Company nor the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

33. You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company is required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Manager;

34. You acknowledge that this Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

35. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;

36. You are aware and understand that the Book Running Lead Manager has entered into a Placement Agreement with our Company, whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;

37. The contents of this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Manager nor any person acting on its or their behalf, nor any of their shareholders, directors, officers, employees, representatives, agents, associates or affiliates or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Manager or our Company or any other person and neither the Book Running Lead Manager nor our Company or any of their respective directors, officers, employees, counsels,

advisors, representatives, agents, associates affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the Book Running Lead Manager and its respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

38. You understand that the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non-performance by our Company or any of its obligations or any breach of any representations or warranties by our Company, whether to you or otherwise;

39. You are a sophisticated investor who is seeking to subscribe to the Equity Shares for investment purposes and not with a view to resell or distribute them. You acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

40. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

41. You confirm that either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue (the "**Company Presentation**"); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Manager may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentation included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Manager has advised you not to rely in any way on any such information that was provided to you at such Company Presentation, and (b) you confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

42. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

43. You are able to purchase the Equity Shares in accordance with the restrictions described in "***Selling Restrictions***" on page 224 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" on page 224;

44. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "***Transfer Restrictions***" on page 232 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Transfer Restrictions***" on page 232;

45. You are outside the United States and are subscribing for the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S of the U.S. Securities Act, and are not our Company's or the BRLM's affiliate or a person acting on behalf of such an affiliate;

46. You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made;

47. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Manager and its respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

48. You acknowledge that our Company, the Book Running Lead Manager, their respective affiliates, directors, officers, employees and controlling persons and others can rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and, the Book Running Lead Manager; and

49. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the Book Running Lead Manager, who are registered as category I FPIs may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. An FPI will collect the regulatory fee of USD 1,000 or any other amount, as may be specified by SEBI from time to time, from every subscriber of offshore derivative instrument issued by it and deposit such regulatory fee with SEBI by way of electronic transfer in the designated bank account of SEBI. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as category I FPIs and they may be issued only to persons eligible for registration as category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as category I FPIs and such instrument is being transferred only to person eligible for registration as category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations are complied with. P-Notes have not been, and are not being offered, or sold pursuant to the Preliminary Placement Document or this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please see the section entitled "***Issue Procedure***" on page 208. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Placement Document.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control, shall be treated as part of the same investor group and the investment limits of all such entities shall be clubbed at the investment limit as applicable to a single foreign portfolio investor) is not permitted to be 10.00% or above of our post-Issue Equity Share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations, and our Company will be in compliance with the conditions therein. In terms of FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having a common beneficial owner shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI investments and offshore derivative instruments held in the underlying company. Further, the Eligible FPIs are permitted to invest in the Equity Shares of our Company, subject to the restrictions and limits on the FPI as specified in the section "***Issue Procedure***" beginning on page 208.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

For more information on limit of foreign investment in our Company, see "***Risk Factors – Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations***" and "***Issue Procedure***" on pages 60 and 208, respectively.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any

P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and do not constitute any obligations of or claims on the BRLM. Respective affiliates of the BRLM which are eligible FPIs may purchase the Equity Shares in this Issue, and may issue P-Notes in respect thereof, in each case to the extent permitted by applicable law.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes, or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also see "***Selling Restrictions***" and "***Transfer Restrictions***" beginning on pages 224 and 232, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

Disclaimer clause of the Stock Exchanges

As required, a copy of this Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of the contents of this Placement Document;

(2) warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription / acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investors' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to the 'Company', 'our Company' or the 'Issuer' are to Navin Fluorine International Limited and references to 'we', 'us' or 'our' are to our Company, together with our Subsidiaries and Joint Venture, on a consolidated basis.

Currency and units of presentation

In this Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India, references to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States of America, references to 'EUR', '€' and 'Euro' are to the legal currency of European Union and references to 'GBP', '£', 'Pound' and 'British Pound' are to the legal currency of the United Kingdom. All references herein to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable. All references herein to the 'US' or the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

In this Placement Document, references to "lakh(s)" represent "100,000", "million" represents "10 lakhs" or "10,00,000", "crore(s)" represents "1,00,00,000" or "10 million" or "100 lakhs", and "billion" represents "1,00,00,00,000" or "1,000 million" or "100 crore". All the numbers in this Placement Document have been presented in crore, unless stated otherwise.

Except as otherwise set out in this Placement Document, all figures set out in this Placement Document have been rounded off to the nearest whole number. However, all figures expressed in terms of percentage, have been rounded off to one or two decimal places, as applicable. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Financial data and other information

Our Company publishes its financial statements in Indian Rupees. The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'Fiscal' or 'FY' are to the twelve month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

In this Placement Document, unless the context requires otherwise or unless stated otherwise, all financial information for the Fiscal 2025, 2024 and 2023 is derived from the (i) Financial Statements for the Financial Year 2025, (iii) Financial Statements for the Financial Year 2024 and (iv) Financial Statements for the Financial Year 2023.

There are significant differences between Ind AS, U.S. GAAP and IFRS. The financial information included in this Placement Document comprise of our Financial Statements for Fiscal 2025, 2024 and 2023 have been prepared in accordance with the Indian Accounting Standard notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, prescribed under Section 133 of the Companies Act and other accounting principles generally accepted in India.

See "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition***" on page 60.

Non-GAAP measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Operating EBITDA, operating EBITDA margin, net debt to equity ratio, working capital days have been included in this Placement Document. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies in our industry, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results.

These Non-GAAP Financial measures are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, these Non-GAAP Financial measures are not a measurement

of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, these Non-GAAP Financial measures are not standardised terms, hence a direct comparison of these Non-GAAP Financial measures between companies may not be possible. Other companies may calculate these Non-GAAP Financial measures differently from us, limiting its usefulness as a comparative measure. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Financial Information and other information relating to our business and operations included in this Placement Document.

For Fiscal 2025, 2024 and 2023, our financials are prepared in crores and have been presented in this Placement Document in crores. Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our businesses contained in this Placement Document consists of estimates based on data and reports compiled by government bodies, professional organizations, industry publications and analysts, data from other external sources and knowledge of the markets in which we compete. The accuracy and completeness of the industry sources and publications referred to by us, and the underlying assumptions on which such sources and publications are based, are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. The statistical information included in this Placement Document relating to the various sectors in which we operate has been reproduced from various trade, industry and regulatory / government publications and websites, more particularly described in "***Industry Overview***" beginning on page 119.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been obtained from the report titled "Independent Market Report for Navin Fluorine International Limited", (the "**Frost & Sullivan Report**"), which is a report exclusively commissioned and paid for by our Company and prepared by Frost & Sullivan (India) Private Limited pursuant to an engagement letter dated April 10, 2025, in connection with the Issue.

The Frost & Sullivan Report contains the following disclaimer:

"*Frost & Sullivan has taken due care and caution in preparing this report ("**F&S Report**") based on the information obtained by Frost & Sullivan from sources which it considers reliable ("**Data**"). This (F&S) Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as Frost & Sullivan providing or intending to provide any services in jurisdictions where Frost & Sullivan does not have the necessary permission and/or registration to carry out its business activities in this regard. Navin Fluorine International Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the F&S Report or part thereof outside India. No part of this Frost & Sullivan Report may be published/reproduced in any form without Frost & Sullivan's prior written approval.*"

Further, information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors – Certain sections of this Placement Document disclose information from the F&S Report which has been prepared exclusively for the Offer and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks***" on page 58. Thus, neither our Company nor the Book Running Lead Manager can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

Further, the calculation of certain statistical and/or financial information / ratios specified in the sections titled "*Our Business*", "*Risk Factors*", "*Management's Discussions and Analysis of Financial Condition and Results of Operations*" and otherwise in this Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the Frost & Sullivan Report. Data from these sources may also not be comparable. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute 'forward-looking statements'. The prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'goal', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'seek to', 'should', 'will', 'will achieve', 'will likely result', 'is likely', 'are likely', 'believe', 'expect', 'expected to', 'will continue', 'will pursue', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements and appear in a number of places throughout this Placement Document. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. The forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- We are significantly dependent on our manufacturing facility located in Surat and Dahej in Gujarat, that contributed to ₹ 2,006.56 crore, ₹ 1,802.99 crore, and ₹1,629.16 crore accounting for 85.41%, 87.31% and 78.42% of our revenue from operations in Fiscal 2025, Fiscal 2024, and Fiscal 2023 respectively. Any developments affecting this facility could have an adverse effect on our business, results of operations, financial condition and cash flows;
- A significant portion of our revenue (83.29% of our revenue from operations in Fiscal 2025) is derived from application industries. Any adverse changes or downturn in the application industries could have an adverse impact on our Company's business and results of operations;
- Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing processes. Any slowdown or shutdown in our manufacturing operations that could interfere with our operations, or any delay in project execution or cost overruns could have an adverse effect on our business, financial condition and results of operations;
- We face foreign exchange risks that could adversely affect our results of operations as a substantial portion of our revenue (57.22% of our revenue from operations in Fiscal 2025) is revenue from operations outside India;
- We derive a significant part of our revenue (43.94% of our revenue from operations in Fiscal 2025) from our top five customers. Loss of any of these customers or a reduction in purchases by any of them could adversely affect our business, financial condition and results of operations; and
- Financial instability in other countries may cause increased volatility in Indian financial markets. Political, economic or any other factors that are beyond our control may have an adverse effect on our business and results of operations.

Additional factors that could cause actual results, performances or achievements of our Company to differ materially include, but are not limited to, those discussed in "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Industry Overview***" and "***Our Business***" and beginning on pages 38, 88, 119 and 170, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements included herein are as of the date of this Placement Document or the respective dates indicated in this Placement Document, and our Company or the Book Running Lead Manager undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties

materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent oral or written forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company will ensure that the Shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchange.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All the Directors, Key Managerial Personnel and members of the Senior Management of our Company named herein are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India vis-à-vis the civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgments under the civil liability provisions of the federal securities laws of the United States.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

(a) where the judgment has not been pronounced by a court of competent jurisdiction;

(b) where the judgment has not been given on the merits of the case;

(c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

(d) where the proceedings in which the judgment was obtained are opposed to natural justice;

(e) where the judgment has been obtained by fraud; and

(f) where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign decree which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign decree rendered by a superior court (within the meaning of that section) in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the decree had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that such judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards; even if such an award is enforceable as a decree or judgment. The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Each of the United Kingdom, Republic of Singapore, United Arab Emirates and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Our Company and the Book Running Lead Manager cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all or that conditions of such approvals would be acceptable.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per USD) and Euro (in ₹ per EUR). The exchange rates are based on the reference rates released by the RBI/ Financial Benchmarks India Limited ("**FBIL**")/ Exchangerates.org.uk, which are available on the website of the RBI/ FBIL/Exchangerates.org.uk. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars and Euros at any particular rate, the rates stated below, or at all.

1. US Dollar

(₹ per USD)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	85.58	84.57	87.59	83.07
2024	83.37	82.79	83.40	81.65
2023	82.22	80.06	83.20	75.39
Month ended*				
June 30, 2025	85.54	85.90	86.80	85.43
May 31, 2025	85.48	85.19	85.69	83.86
April 30, 2025	85.05	85.56	86.61	85.05
March 31, 2025	85.58	86.64	87.38	85.58
February 28, 2025	87.40	87.05	87.59	86.64
January 31, 2025	86.64	86.26	86.64	85.70

(Source: www.rbi.org.in and www.fbil.org.in)

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods;

(2) Average of the official rate for each working day of the relevant period;

(3) Maximum of the official rate for each working day of the relevant period; and

(4) Minimum of the official rate for each working day of the relevant period.

Notes:

** If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed. High, low and average are based on the RBI/FBIL reference rates and rounded off to two decimal places.*

2. EURO

(₹ per EUR)

	Period end[(5)]	Average[(6)]	High[(7)]	Low[(8)]
Fiscal*				
2025	92.32	90.76	95.14	88.11
2024	90.22	89.80	92.45	87.06
2023	89.61	83.72	90.26	78.34
Month ended*				
June 30, 2025	100.44	98.92	100.45	97.42
May 31, 2025	96.94	96.15	97.13	94.30
April 30, 2025	96.74	96.23	98.03	92.39
March 31, 2025	92.32	93.50	95.14	90.95
February 28, 2025	90.78	90.58	91.31	89.27
January 31, 2025	90.01	89.30	90.40	88.11

(Source: www.rbi.org.in and www.fbil.org.in)

(5) The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods;

(6) Average of the official rate for each working day of the relevant period;

(7) Maximum of the official rate for each working day of the relevant period; and

(8) Minimum of the official rate for each working day of the relevant period.

Notes:

** If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed. High, low and average are based on the RBI/FBIL reference rates and rounded off to two decimal places.*

3. Pound Sterling

(₹ per GBP)

	Period end[(9)]	Average[(10)]	High[(11)]	Low[(12)]
Fiscal*				
2025	110.74	107.89	112.81	102.88
2024	105.29	104.07	107.64	100.39
2023	101.87	96.77	102.23	86.62
Month ended*				
June 30, 2025	117.47	116.43	117.55	115.23
May 31, 2025	115.14	113.92	115.74	111.61
April 30, 2025	113.88	112.70	114.29	109.87

March 31, 2025	110.74	111.73	112.81	110.07
February 28, 2025	109.98	108.98	110.41	107.05
January 31, 2025	107.62	106.61	107.84	105.05

(Source: www.rbi.org.in and www.fbil.org.in)

(9) The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods;

(10) Average of the official rate for each working day of the relevant period;

(11) Maximum of the official rate for each working day of the relevant period; and

(12) Minimum of the official rate for each working day of the relevant period.

Notes:

* *If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed. High, low and average are based on the RBI/FBIL reference rates and rounded off to two decimal places*.

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader/ Bidders only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder, unless specified otherwise in the context thereof. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

*The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Industry Overview**", "**Taxation**", "**Legal Proceedings**" and "**Financial Statements**", beginning on pages 88, 119, 242, 248 and 255, respectively, shall have the meaning given to such terms in such sections.*

General Terms

Term	Description
"our Company", "the Company", "the Issuer" or "NFIL"	Navin Fluorine International Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai, Maharashtra, India, 400 069.
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries and Joint Venture, on a consolidated basis

Company Related Terms

Term	Description
Articles or Articles of Association	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company as disclosed in "***Board of Directors and Senior Management***" on page 185
"Audited Consolidated Financial Statements for the Financial Year 2023" or "Financial Statements for the Financial Year 2023"	Our audited consolidated financial statements for Fiscal 2023, read along with the notes thereto, prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India together with the report dated May 13, 2023 issued by our Statutory Auditor
"Audited Consolidated Financial Statements for the Financial Year 2024" or "Financial Statements for the Financial Year 2024"	Our audited consolidated financial statements for Fiscal 2024, read along with the notes thereto, prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India together with the report dated May 7, 2024 issued by our Statutory Auditor
"Audited Consolidated Financial Statements for the Financial Year 2025" or "Financial Statements for the Financial Year 2025"	Our audited consolidated financial statements for Fiscal 2025, read along with the notes thereto, prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India together with the report dated May 9, 2025 issued by our Statutory Auditor
Auditors or Statutory Auditors	The current statutory auditors of our Company, namely, Price Waterhouse Chartered Accountants LLP
Board of Directors or Board	The board of directors of our Company or any duly constituted committee thereof
Company Secretary	The President – Legal and Company Secretary of our Company, namely, Niraj Bipinchandra Mankad
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company as disclosed in "***Board of Directors and Senior Management***" on page 185
Director(s)	The directors of our Company
Executive Director(s)	The executive directors of our Company, as disclosed in "***Board of Directors and Senior Management***" on page 185
ESOS 2007	Employees' stock option scheme 2007
ESOS 2017	Employees' stock option scheme 2017
ESOS Schemes	Collectively, ESOS 2007 and ESOS 2017
Equity Share(s)	The equity shares having a face value of ₹2 each of our Company
Executive Chairman	The executive chairman of the Board of Directors, namely, Vishad Padmanabh Mafatlal
Financial Statements	Audited Consolidated Financial Statements for the Financial Year 2025, Audited Consolidated Financial Statements for the Financial Year 2024 and Audited Consolidated Financial Statements for the Financial Year 2023
Group	Company along with the Subsidiaries

Term	Description
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Independent Director	An independent director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations as disclosed in "***Board of Directors and Senior Management***" on page 185
Joint Venture	Swarnim Gujarat Fluorspar Private Limited
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in "***Board of Directors and Senior Management***" on page 185
Material Subsidiary	Such subsidiary which has been identified as material subsidiary in terms of our policy for determining material subsidiaries, namely, Navin Fluorine Advanced Sciences Limited
Memorandum or Memorandum of Association	Memorandum of association of our Company, as amended
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue
Nomination and Remuneration Committee or NRC Committee	Nomination and remuneration committee of the Board of our Company as disclosed in "***Board of Directors and Senior Management***" on page 185
Non-Executive Director	A non-executive non-independent director and non-executive independent director, as the case may be, in terms of Companies Act, 2013 as disclosed in "***Board of Directors and Senior Management***" on page 185
Promoters	The promoters of our Company in terms of the SEBI ICDR Regulations and the Companies Act, namely, Vishad P Mafatlal Family Trust No. 1, Vishad Padmanabh Mafatlal, Padmanabh Arvind Mafatlal (HUF), Vishad P. Mafatlal Pam HUF1 P Mafatlal, Rupal Vishad Mafatlal, Chetna Padmanabh Mafatlal, Terebinth Ventures Private Limited (*formerly known as Anshi Ventures Private Limited*), Pamil Investments Private Limited, Mafatlal Impex Private Limited (Mafatlal Exim Private Limited amalgamated with Mafatlal Impex Private Limited), Vishad Padmanabh Mafatlal Public Charitable Trust No. 1.
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Mumbai
Registered and Corporate Office	Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai, Maharashtra, India, 400 069.
Risk Management Committee	Risk management committee of the Board of our Company as disclosed in "***Board of Directors and Senior Management***" on page 185
Senior Management	Members of the senior management of our Company as disclosed in "***Board of Directors and Senior Management***" on page 185
Shareholder(s)	Shareholders of our Company
Stakeholders' Relationship Committee	Stakeholders' relationship committee of the Board of our Company as disclosed in "***Board of Directors and Senior Management***" on page 185
Subsidiaries	Subsidiaries of our Company, as per section 2(87) of the Companies Act, 2013, being: Manchester Organics Limited, NFIL (UK) Limited, NFIL USA Inc., Navin Fluorine (Shanghai) Co. Limited, Navin Fluorine Advanced Sciences Limited and Sulakshana Securities Limited

Issue Related Terms

Term	Description
Allocated or Allocation	Allocation of Equity Shares by our Company, in consultation with the Book Running Lead Manager, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allot or Allotment or Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue
Application Form(s)	Form(s) (including any revisions thereof) which has been submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of a Bidder's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bidder(s)	Any investor, being an Eligible QIB, who has made a Bid pursuant to the terms of this Placement Document and the Application Form
Book Running Lead Manager or BRLM	JM Financial Limited
CAN or Confirmation of Allocation Note	Note, advice or intimation to Successful Bidders confirming the Allocation of Equity Shares to such Successful Bidders after discovery of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about July 11, 2025
Designated Date	The date of credit of Equity Shares to the Allottees' demat accounts pursuant to the Issue, as applicable to the relevant Allottees
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law, other than individuals, corporate bodies and family offices, that are eligible to participate in this Issue, participating through Schedule II of the FEMA Rules

Term	Description
Eligible QIBs	QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. However, FVCIs are not permitted to participate in the Issue. In addition, QIBs outside the United States subscribing for the Equity Shares in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act are also considered Eligible QIBs
Escrow Account	Special non-interest bearing, no-lien, current bank accounts without any cheques or overdraft facilities, opened with the Escrow Agent, subject to the terms of the Escrow Agreement, into which the Bid Amount shall be deposited by Eligible QIBs and refunds, if any, shall be remitted to unsuccessful Bidders
Escrow Agent	Axis Bank Limited
Escrow Agreement	Agreement dated July 7, 2025 entered into by and amongst our Company, the Escrow Agent and the Book Running Lead Manager for collection of the Bid amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	Floor price of ₹ 4,798.28 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of ₹ 118.28 (equivalent to 2.46% of the Floor Price) on the Floor Price in accordance with the approval of our Shareholders accorded through their special resolution dated August 1, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Frost & Sullivan Report	Independent Market Report for Navin Fluorine International Limited dated July 4, 2025, exclusively commissioned and paid for by our Company
Issue	Issue and Allotment of up to 16,02,564 Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	July 10, 2025, the date after which our Company (or Book Running Lead Manager on behalf of our Company) ceased acceptance of Application Forms and the Bid Amount
Issue Opening Date	July 7, 2025 the date on which our Company (or the Book Running Lead Manager on behalf of our Company) commenced acceptance of the Application Forms and the Bid Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs submitted their Bids along with the Bid Amount
Issue Price	A price per Equity Share of ₹ 4,680.00
Issue Size	The issue of 16,02,564 Equity Shares aggregating ₹ 750.00 crores
Monitoring Agency	Care Ratings Limited
Monitoring Agency Agreement	Agreement dated July 7, 2025 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilisation of the Gross Proceeds of the Issue
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Placement Agreement	Placement agreement dated July 7, 2025 by and among our Company and the Book Running Lead Manager
Placement Document	This Placement document dated July 10, 2025 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013
Preliminary Placement Document	The preliminary placement document cum application form, dated July 7, 2025 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
"QIB" or "Qualified Institutional Buyer"	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the applicable rules of the PAS Rules
Refund Amount	Aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Relevant Date	July 7, 2025 which is the date of the meeting in which the Board of Directors decided to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount and who have been Allocated Issue shares
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, Maharashtra, India

Business and Industry Related Terms

Term	Description
AI	Artificial Intelligence

Term	Description
AI's	Active Ingredients
APAC	Asia Pacific
API	Active Pharmaceutical Ingredient
BCD	Basic Customs Duty
CAGR	Compounded annual growth rate
cGMP	Current Good Manufacturing Practice
CDMO	Contract Development and Manufacturing Organisation
CODM	Chief operating decision maker
Computer Software	High performance products
CY	Calendar year
EBITDA	Earnings before interest taxes, depreciation and amortization
EVs	Electric vehicles
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through the profit or loss
HF	Hydrofluoric acid
HFO	Hydrofluoroolefins
GBP	Great Britain Pound
GDP	Global Gross Domestic Product
GVA	Gross Value Added
GW	Gigawatts
HPP	High Performance Products
NFASL	Navin Fluorine Advanced Sciences Limited
PLI	Production Linked Incentive
R&D	Research and development
R22	Chlorodifluoromethane or HCFC-22, is a hydrochlorofluorocarbon refrigerant
R32	A refrigerant gas, specifically difluoromethane, used in air conditioning systems
ROCE	Return on capital employed
ROE	Return on equity
Social Security Code	Code on Social Security, 2020
Specialty Chemicals	Fluorinated and non-fluorinated products
WPI	Wholesale Price Index

Conventional and General Terms/ Abbreviations

Term	Description
INR or Rupees or ₹ or Indian Rupees or Rs.	Indian Rupees
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
Arbitration Act	The Arbitration and Conciliation Act, 1996
AY	Assessment year
BSE	BSE Limited
CAGR	Compound annual growth rate (as a %): (End Year Value/Base Year Value)^ (1/No. of years between Base year and end year) – 1 (^ denotes 'raised to')
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CEO	Chief executive officer
CFO	Chief financial officer
CIN	Corporate identity number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as applicable
Companies Act, 1956	The erstwhile Companies Act, 1956, and the rules made thereunder
Companies Act, 2013	The Companies Act, 2013, and the rules made thereunder
CrPC	The Code of Criminal Procedure, 1973
CSR	Corporate social responsibility
DEA	Department of Economic Affairs, Ministry of Finance
Depositories Act	The Depositories Act, 1996, as amended
Depositories	NSDL and CDSL
Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary general meeting
EPS	Earnings per share
Factories Act	The Factories Act, 1948
FDI	Foreign direct investment
FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and any modifications thereto or substitutions thereof, issued from time to time

Term	Description
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year or Fiscal Year(s) or Fiscal	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules
FII	Foreign institutional investors
FIR	First information report
Foreign Portfolio Investment	Foreign portfolio investment as defined under the FEMA Rules
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FPI Operational Guidelines	Operational guidelines for FPIs, designated depository participants and eligible foreign investors dated November 5, 2019
FVCI	Foreign venture capital investors as defined and registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
GDR	Global depository receipt
Government	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu undivided family
HNI	High net worth individual
ICAI	The Institute of Chartered Accountants of India
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015
Income Tax Act or IT Act	The Income Tax Act, 1961
IPC	Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
MCA	The Ministry of Corporate Affairs, Government of India
Mutual Fund(s)	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NI Act	The Negotiable Instruments Act, 1881
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
PAT	Profit After Tax
PMLA	The Prevention of Money Laundering Act, 2002
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Relevant Member State	Each member state of the European Economic Area which has implemented the Prospectus Directive
RoC	The Registrar of Companies, Maharashtra at Mumbai
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCR (SECC) Rules	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEC	United States Securities and Exchange Commission
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

Term	Description
U.K.	United Kingdom
UOI	Union of India
U.S.$/ U.S. dollar/ USD	United States Dollar, the legal currency of the United States of America
USA/ U.S./ United States	The United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
VCF	Venture capital fund

SUMMARY OF BUSINESS

We are the flagship company of the Padmanabh Mafatlal Group, and have over 50 years of expertise in handling fluorine and complex fluorine chemistry. We operate one of the largest fluorination facilities in India and are one of India's largest manufacturers of anhydrous hydrofluoric acid ("**AHF**") and diluted hydrofluoric acid and one of the world's largest manufacturers of BF3 (boron trifluoride) gas. (*Source: F&S Report*). We are also one of India's largest manufacturers of inorganic fluorides such as ammonium bi-fluoride, potassium fluoride and sodium fluoride and have a significant market share in each of these products (*Source: F&S Report*). We are the first Indian company to produce the R22 (chlorodifluoromethane) gas. (*Source: F&S Report*). We are the only company is India to manufacture hydro-fluoro-olefins, the new age refrigerants and SF4 (sulfur tetrafluoride) (*Source: F&S Report*). Over the years our capability and experience has been built to handle production and supply of fluorine based products efficiently and seamlessly (*Source: F&S Report*).

Over the past five decades, we have transitioned from being focussed on high volume commodity business to margin accretive businesses. From being pioneers in the refrigerant space, we have moved up the fluorine value chain by entering high margin and specialised businesses such as Specialty Chemicals and CDMO. We have established relationships with various marquee customers including global pharmaceutical and crop science majors, spread across North America, Europe, Middle East Asia and the Asia Pacific regions. Further, in Fiscal 2026, we have entered into an agreement with an American chemical company to manufacture and establish initial capacity of a innovative two phase immersion cooling fluid, a proprietary product of the American chemical company at our Surat unit.

We produce highly specialised fluorinated and non-fluorinated products across our business verticals i.e. specialty chemicals ("**Specialty Chemicals**"), contract development and manufacturing organization ("**CDMO**") and high performance products ("**HPP**") which find application in products segments such as life sciences, air conditioning, crop sciences, construction materials etc. catering to several global players. Under our Speciality Chemicals business, we produce *inter alia*, industrial gases, pharma and crop science intermediates for Indian as well as global majors. As part of our CDMO business, we manufacture pharma intermediates, which find application in early as well as late stage molecules and we also carry out research catering to global companies. Further, as part of our HPP business, we produce refrigerant gases (such as HCFC, HFC), HFO and inorganic fluorides, which find application in *inter-alia* air conditioning, pharma and construction markets.

Our three Indian manufacturing units are strategically located at Surat and Dahej (Gujarat, India), Dewas (Madhya Pradesh, India) in close proximity to multi modal logistical options that enhance access to vendors and customers and we also have a manufacturing facility at Runcorn (Cheshire, United Kingdom) where our product capacity is minimal in comparison to the Indian manufacturing facilities. The installed capacity of manufacturing facilities at Surat, Dahej and Dewas stood at 93,000 metric tonnes, 25,400 metric tonnes and 77,800 kilolitres respectively in Fiscal 2025. Our Surat unit is India's first integrated fluorochemicals complex and houses Specialty Chemicals and HPP business operations (*Source: F&S Report*). Our CDMO operations are carried out of our Dewas manufacturing unit, which is India's only plant with high pressure fluorination capabilities with cGMP compliance (*Source: F&S Report*) Our manufacturing units at Dahej and Surat are certified for ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015. We have invested ₹ 2,051 crore in capital expenditure over the last three financial years towards capacity addition across all the verticals and de-bottlenecking our manufacturing capacities. We expect our sustained investment in our manufacturing capabilities to help us deliver on our 3-Ps strategy of new products, platforms and partnerships.

We have adopted an integrated business model covering sourcing of raw materials, in house R&D, fluorination and manufacturing.

Our sourcing of raw materials is well diversified. We have added over 1,000 vendor partners in the last financial year alone allowing us to compete effectively with global players. We have alternate vendors for critical raw materials and are not dependent on any single vendor for supply of critical raw material. The most critical raw material for our business operations is Fluorspar and our facility at Dahej is well-equipped to handle and process Fluorspar from different sources and geographical locations. We believe this is an essential capability and it sets us apart from several of our competitors. We also have three R&D facilities in, Surat (Gujarat, India), Dewas (Madhya Pradesh, India) and Runcorn (Cheshire, United Kingdom).

The global chemicals market was valued at around USD 5,610 billion in 2024 and is expected to grow at 4.4% CAGR, reaching USD 6,980 billion by 2029 *(Source: F&S Report).* Going forward the Asia-Pacific region is anticipated to grow at the fastest rate during the forecast period of Fiscal 2024 – 2029 *(Source: F&S Report)*. Fluorochemicals are chemicals containing fluorine as an element are one of the most critical classes of chemicals that are used across applications. Fluoropolymers are widely used across the automotive, aircraft, semiconductor, and household appliances *(Source: F&S Report)*. Our specialisation in synthesis of fluorination and continued infrastructure development enable us to tap into the favourable momentum within the Indian chemical industry. While we have the capabilities to produce diverse chemistries, we continue to focus on fluorination. We have entered into long term contracts with key global life science and crop science innovators for the production of different specialised fluorinated and non-fluorinated products which helps us achieve more predictable and sustained revenues. We are also working closely with some of the leading innovators in the pharma industry. Our Company has also placed focus on the Montreal Pact ensuring development of products in the most environmentally friendly way especially in the HPP segment by manufacturing environment friendly HFOs and gases like R32.

Our revenue from operations has increased at a CAGR of 6.34% from ₹ 2,077.40 crore in Fiscal 2023 to ₹ 2,349.38 crore in

Fiscal 2025. Certain key financial information is set forth below as per our Financial Statements:

(in ₹ crore, except ratios)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations	2,349.38	2,065.01	2,077.40
Revenue from operations growth Y-o-Y (in %)	13.77%	(0.60)%	42.94%
Business Vertical (Revenue)			
a. HPP	1206.14	955.02	886.09
(HPP as a % of revenue from operations)	51.34%	46.25%	42.65%
b. Specialty Chemicals	800.42	847.97	743.07
(Specialty Chemicals as a % of revenue from operations)	34.07%	41.06%	35.77%
c. CDMO	342.82	262.02	448.24
(CDMO as a % of revenue from operations)	14.59%	12.69%	21.58%
Operating EBITDA[1]	533.72	398.28	550.31
Operating EBITDA margin (%)[2]	22.72%	19.29%	26.49%
Total Profit for the year	288.58	270.50	375.18
PAT Margin[3]	12.06%	12.75%	17.75%
Return on Capital Employed (%) ("ROCE")[4]	11.06%	9.45%	17.06%
Return on Equity (%) ("ROE")[5]	11.52%	11.84%	18.62%
Net Debt / Total equity Ratio[6]	0.37	0.37	0.37
Working capital days[7]	90	103	138

1. Operating EBITDA = Profit before tax + Finance costs + Depreciation and amortisation expense - Exceptional item - Other income. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90

2. Operating EBITDA margin (%) = Operating EBITDA / Revenue from operation. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90

3. PAT Margin = Total profit for the year / total income

4. ROCE = Profit before exceptional items and tax add finance cost divided by capital employed. Capital employed is the sum of total equity, deferred tax liability, current and non current borrowings.

5. ROE = Total profit for the year divided by average total equity. Average total equity is calculated as simple average of total equity as of the last day of relevant fiscal and total equity as of the last day of the preceding fiscal.

6. Net Debt / Total equity ratio = Net debt divided by total equity for relevant fiscal. Net debt is calculated as sum of current borrowings, non current borrowings, current lease liabilities and non current lease liabilities less current investment and cash and cash equivalents. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

7. Working capital days = Working capital / Revenue from operations X 365 where working capital is Inventories + Trade receivable - trade payable. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

Business Verticals

Our products and services are organised in three business verticals, namely, (i) HPP (ii) Specialty Chemicals; and (iii) CDMO.

The following table sets forth the revenue from operations contributed by each of our business verticals and the percentage of our revenue from operations for the Fiscals indicated:

Category	Fiscal					
	2025		2024		2023	
	(₹ crore)	% of revenue from operations	(₹ crore)	% of revenue from operations	(₹ crore)	% of revenue from operations
HPP	1206.14	51.34%	955.02	46.25%	886.09	42.65%
Specialty Chemicals	800.42	34.07%	847.97	41.06%	743.07	35.77%
CDMO	342.82	14.59%	262.02	12.69%	448.24	21.58%

HPP

Being pioneers in the refrigerant space, we introduced refrigerants into India in 1967 by commissioning our manufacturing unit at Surat, Gujarat. We have since invested in building our capacities and diversifying our portfolio. Our HPP vertical currently houses our legacy refrigerant business. We are one of the largest Indian manufacturers of anhydrous hydrofluoric acid and diluted hydrofluoric acid, which caters to the requirements of pharma, solar, and steel industries (*Source: F&S Report*). Our

global brand (Mafron) caters to stationary air-conditioning demands in India and overseas. In 2022 we started manufacturing hydro fluoro-olefins under a long-term supply arrangement with one of our customers and are the only company in India to manufacture hydro flouro-olefins (*Source: F&S Report*).

Specialty Chemicals

Our specialty chemicals business involves the manufacture of products that find application in the crop sciences and pharmaceutical industry. Under our Speciality Chemicals business, we produce, *inter alia*, industrial gases, pharma and crop science intermediates for Indian as well as global majors. While our core chemistries are in respect of fluorination, we have also expanded over the years to deal with non-fluorination chemistries. Our Indian manufacturing units have well-equipped quality and assurance labs that are equipped with advanced equipment and are accredited with the National Accreditation Board for Testing and Calibration Laboratories to ensure that quality parameters are duly met in respect of our products. The business processes and systems are audited from time to time by some of our key customers.

CDMO

We offer CDMO for custom chemical syntheses of fluorinated compounds and non-fluorinated compounds for the pharmaceutical chemicals. We are building upon our experience and expertise in fluorine chemistry, fluorination and reagents, both in research and development and in manufacturing areas. Our offerings and capabilities in this regard include research, library synthesis, process development to help our clients scale up and then proceed to small and large batch manufacturing of such custom chemicals. We offer custom synthesis, and contract services to develop new cost-effective processes with short turnaround time. Our unit at Dewas Madhya Pradesh, along with one of our subsidiaries, Manchester Organics Limited which operates out of the United Kingdom offers a wide range of research and custom synthesis services spanning across areas of the chemical industry, including the pharmaceuticals industry.

Our key strengths in the CDMO vertical are as follows: (Source: F&S Report)

1. Our Company's CDMO operations are carried out of Dewas, India's only plant with high pressure fluorination capabilities with cGMP compliance, newly operational Dahej unit and Runcorn (United Kingdom) Unit, that was acquired in 2011, ramp up our CDMO capabilities.

2. Over the past few years, we have evolved our revenue profile from clinical projects to commercial projects, thereby ensuring a consistent revenue.

3. We have been investing in a range of competencies, from research to plant scale to ensure sustainable growth in the business.

4. We have established globally benchmarked standards of quality and safety.

5. We focus on making complex intermediates as compared to other CDMO businesses that focus on APIs and formulations.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including in "***Risk Factors***", "***Use of Proceeds***", "***Issue Procedure***", "***Placement***" and "***Description of the Equity Shares***" beginning on pages 38, 70, 208, 222 and 239, respectively.

Issuer	Navin Fluorine International Limited
Face Value	₹ 2 per Equity Share
Issue Price	₹ 4,680.00 per Equity Share (including a premium of ₹ 4,678.00 per Equity Share)
Floor Price	₹ 4,798.28 per Equity Share, calculated in accordance with Regulation 176 under Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. Our Company has offered a discount of ₹118.28 (equivalent to 2.46% of the Floor Price) on the Floor Price in accordance with the approval of our Shareholders accorded through a special resolution dated August 1, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of up to 16,02,564 Equity Shares, aggregating up to approximately ₹ 750.00 crore, at a premium of ₹ 4,678.00 each. A minimum of 10% of the Issue Size, i.e. at least 1,60,256 Equity Shares, was made available for Allocation to Mutual Funds only and the balance 14,42,308 Equity Shares was available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such minimum portion or part thereof may be Allotted to other Eligible QIBs.
Authority for the Issue	The Issue has been authorised by the Board on June 29, 2024 and approved by our Shareholders pursuant to a special resolution dated August 1, 2024.
Eligible investors	Eligible QIBs, to whom this Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. FVCIs are not permitted to participate in the Issue. For further details, see "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" beginning on page 208, 224 and 232, respectively. The list of Eligible QIBs to whom this Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLM, at their sole discretion.
Dividend	See "***Dividends***" and "***Description of the Equity Shares***" on pages 87 and 239, respectively.
Taxation	For the statement of possible tax benefits available to our Company and its Shareholders under the applicable laws in India, see "***Taxation***" on page 242
Equity Shares issued and outstanding immediately prior to the Issue	4,95,90,255 Equity Shares have been issued and subscribed, of which (a) 4,95,82,195 Equity Shares are fully paid-up; and (b) 8,060 Equity Shares are partly paid-up
Equity Shares issued and outstanding immediately after the Issue	5,11,92,819 Equity Shares
Issue procedure	The Issue was made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For further details, see "***Issue Procedure***" on page 208
Listing and trading	Our Company has obtained in-principle approvals each dated July 7, 2025 in terms of Regulation 28(1)(a) of the SEBI Listing Regulations from BSE and NSE, respectively, for listing of the Equity Shares to be issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant, respectively. The trading of the Equity Shares would be in dematerialised form and only in the cash segment of each of the Stock Exchanges.
Lock-up	For details of the lock-up, see "***Placement – Lock-in***" on page 222
Proposed Allottees	See "***Details of Proposed Allottees***" on page 492 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company
Transferability restrictions	The Equity Shares to be issued and Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For details in relation to other transfer restrictions, see "***Transfer Restrictions***" beginning on page 232.
Use of Proceeds	The Gross Proceeds from the Issue will be approximately ₹ 750.00 crores. The Net Proceeds from the Issue are approximately ₹ 730.00 crores, which is proposed to be utilised for (i) repayment or prepayment, in full or in part, of certain outstanding borrowings availed by our Company and one of our Subsidiaries, Navin Fluorine Advanced Sciences Limited ("**NFASL**"); and (ii) general corporate purposes. See "***Use of Proceeds***" beginning on page 70 for additional information regarding the use of Net Proceeds from the Issue.

Risk factors	See "***Risk Factors***" beginning on page 38 for a discussion of risks you should consider before investing in the Equity Shares.	
Closing Date	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about July 11, 2025.	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The holders of Equity Shares (who hold Equity Shares as on the applicable record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Shareholders of our Company may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act, 2013. For further details, see "***Dividends***" and "***Description of the Equity Shares***" on pages 87 and 239, respectively.	
Security codes for the Equity Shares	ISIN	INE048G01026
	BSE code	532504
	NSE symbol	NAVINFLUOR

SELECTED FINANCIAL INFORMATION

The following selected financial information of our Company is extracted from and should be read in conjunction with:

a) the Financial Statements for the Financial Year 2025 prepared in accordance with the Ind AS and Companies Act, 2013;

b) the Financial Statements for the Financial Year 2024 prepared in accordance with the Ind AS and Companies Act, 2013; and

c) the Financial Statements for the Financial Year 2023 prepared in accordance with the Ind AS and Companies Act, 2013.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Statements***" on pages 88 and 255, respectively.

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SUMMARY OF CONSOLIDATED BALANCE SHEET

(All amounts in ₹ crore, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Assets			
Non-Current Asset			
Property, plant and equipment	2550.47	1685.44	1,471.83
Right-of-use assets	46.27	48.43	33.09
Capital work-in-progress	349.79	711.09	278.58
Investment properties	49.38	50.51	51.65
Goodwill	87.76	87.76	87.76
Intangible assets/Other Intangible assets	2.41	2.46	1.55
Intangible assets under development	5.63	-	-
Financial assets			
(i) Investments accounted for using the equity method	0.72	0.74	0.75
(ii) Investments	7.40	8.05	11.95
(iii) Loans	0.18	0.25	0.32
(iv) Other financial assets	22.39	23.31	27.76
Non-current tax assets (net)	12.98	12.70	31.41
Other non-current assets	106.16	193.05	66.47
Total non-current assets	**3241.54**	**2823.79**	**2,063.12**
Current assets			
Inventories	322.42	371.65	468.12
Financial assets			
(i) Investments	471.80	486.03	31.11
(ii) Trade receivables	582.42	512.51	561.52
(iii) Cash and cash equivalent	19.68	6.64	14.47
(iv) Bank balances other than cash and cash equivalent	20.84	20.90	20.34
(v) Loans	0.09	0.61	0
(vi) Other financial assets	18.79	18.25	7.88
Other current assets	152.80	136.62	361.01
	1588.84	**1553.21**	**1464.45**
Assets classified as held for sale	-	-	1.72
Total current assets	**1588.84**	**1553.21**	**1466.17**
Total assets	**4830.38**	**4377.00**	**3,529.29**
Equity and liabilities			
Equity			
Equity share capital	9.92	9.91	9.91
Other equity			
(i) Reserves and surplus	2458.38	2216.34	2,019.18
(ii) Other reserves	157.93	156.42	155.86
Total equity	**2626.23**	**2382.67**	**2,184.95**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	1053.44	1022.86	753.13
(ii) Lease liabilities	13.19	17.30	6.42
Provisions	20.42	18.49	15.09
Deferred tax liabilities (net)	75.41	64.33	34.75
Other non-current liabilities	13.44	13.45	13.47
Contract Liabilities	113.59	-	-
Total non-current liabilities	**1289.49**	**1136.43**	**822.86**
Current liabilities			
Financial liabilities			
(i) Borrowings	387.29	317.08	95.52
(ii) Lease liabilities	12.47	11.22	5.73
(iii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises	44.68	44.13	40.63
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	282.28	258.37	202.85
(iv) Other financial liabilities	99.15	83.92	101.23
Contract liabilities	26.23	90.02	5.38
Provisions	6.46	12.12	7.96
Current tax liability (net)	3.94	0.78	8.23

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Other current liabilities	52.16	40.26	53.95
Total current liabilities	**914.66**	**857.90**	**521.48**
Total liabilities	**2204.15**	**1994.33**	**1,344.34**
Total equity and liabilities	**4830.38**	**4377.00**	**3,529.29**

SUMMARY OF CONSOLIDATED PROFIT AND LOSS STATEMENT

(All amounts in ₹ crore, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	2349.38	2065.01	2,077.40
Other income	43.73	55.85	35.73
Total income	**2393.11**	**2120.86**	**2,113.13**
Expenses			
Cost of materials consumed	1047.83	902.28	905.72
Purchases of stock-in-trade	7.48	9.43	19.66
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16.69)	23.72	(29.37)
Employees benefits expense	296.67	285.84	249.41
Finance costs	77.93	74.56	27.52
Depreciation and amortisation expense	119.43	96.16	62.64
Other expenses	480.37	445.46	381.67
Total expenses	**2013.02**	**1837.45**	**1,617.25**
Profit before exceptional items and tax	**380.09**	**283.41**	**495.88**
Exceptional items	-	52.13	0
Profit before tax	**380.09**	**335.54**	**495.88**
1. Current Tax			
(a). For the year	80.71	61.79	106.10
(b)for earlier year	(0.27)	(26.09)	0.00
(2) Deferred tax	11.05	29.33	14.59
Total Tax expense	**91.49**	**65.03**	**120.69**
Profit for the year	**288.60**	**270.51**	**375.19**
Share of (Loss)from a Joint Venture (net)	(0.02)	(0.01)	(0.01)
Total profit for the year	**288.58**	**270.50**	**375.18**
Other comprehensive income (OCI) (including joint venture)			
(i) Items that will not be reclassified to profit and loss	1.35	(0.54)	0.77
(ii) Items that may be reclassified to profit and loss	1.51	0.56	1.27
Total other comprehensive income for the year	**2.86**	**0.02**	**2.04**
Total comprehensive income for the year	**291.44**	**270.52**	**377.22**
Earnings per equity share (of face value ₹ 2 each)			
a) Basic	58.20	54.57	75.70
b)Diluted	58.14	54.49	75.44

SUMMARY OF CONSOLIDATED CASH FLOW STATEMENT

(All amounts in ₹ crore, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities			
Profit before tax	380.09	335.54	495.88
Adjustments for:			
Depreciation and amortization expense	119.43	96.16	62.64
Exceptional Items	-	(52.13)	-
(Gain)/Loss on sale / disposal of property, plant and equipment (net)	(0.07)	0.89	(1.97)
(Gain) on sale of investments (net)	(22.63)	(5.34)	(9.04)
Changes in fair value of financial assets at fair value through profit or loss	(3.49)	(10.95)	(0.97)
Employee Share-based payment expense	11.51	1.47	16.79
Finance Costs	77.93	74.56	27.52
Interest income	(1.69)	(3.26)	(3.03)
Lease rental income on investment properties	(13.77)	(13.17)	(14.45)
Net Loss on foreign currency transactions	3.77	(1.41)	2.06
Dividend Income	(0.10)	(0.03)	(0.03)
Excess provision/ liabilities written back	0.00	(0.01)	(0.50)
Provision for doubtful debts	3.65	0.81	2.03
Provision for doubtful advances	0.97		
Operating profit before changes in operating assets and liabilities	**555.60**	**423.13**	**576.93**
Adjustments for:			
Decrease/ (Increase) in trade receivables	(78.39)	50.62	(206.65)
Decrease (Increase) in inventories	49.23	96.47	(210.58)
Decrease (Increase) in other assets	34.80	77.93	(233.56)
Increase in trade and other payables	87.58	136.01	120.05
Cash generated from operations	**648.82**	**784.16**	**46.19**
Income taxes paid (net of refunds)	(78.01)	(34.27)	(109.78)
Net cash (used in) / generated from operating activities	**570.81**	**749.89**	**(63.59)**
B. Cash flows from investing activities			
Payments for property, plant and equipment	(561.14)	(732.39)	(757.71)
Payments for Intangible assets under development	(5.63)	-	-
Proceeds from sale of property, plant and equipment	0.30	54.13	2.18
(Increase) / Decrease in deposits with banks	(0.78)	3.57	(4.41)
Payments for purchase of investments	(1567.45)	(1878.24)	(1,261.86)
Proceeds from sale of investments	1608.45	1443.51	1,346.16
Lease rental income on investment properties	13.39	12.68	16.96
Dividend received	0.10	0.03	0.03
Interest received	1.69	3.26	3.03
Net cash used in investing activities	**(511.07)**	**(1093.45)**	**(655.62)**
C. Cash flows from financing activities			
Principal elements of lease payments	(10.20)	(6.60)	(5.67)
Proceeds from issue of Shares	0.01	-	-
Proceeds from allotment of Employee Stock Option Plan (ESOP)	0.13	0.09	1.23
Proceeds of long-term borrowings	31.97	380.85	653.13
Proceeds of short term / other borrowings (net)	69.47	110.44	91.05
Dividend paid	(59.50)	(74.49)	(54.28)
Interest paid	(78.58)	(74.56)	(27.52)
Net cash (used in) / generated from financing activities	**(46.70)**	**335.73**	**657.94**
Net Increase/(decrease) in cash and cash equivalents	**13.04**	**(7.83)**	**(61.27)**
Cash and cash equivalents at the beginning of the year	**6.64**	**14.47**	**75.74**
Cash and cash equivalents at the end of the year	**19.68**	**6.64**	**14.47**

RELATED PARTY TRANSACTIONS

For details of the related party transactions for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 as per the requirements under Related Party Disclosures (Ind AS 24) as notified under Section 133 of the Companies Act, 2013 read with Ind AS rules, as amended, see "***Financial Statements – Audited Consolidated Financial Statements for the Financial Year 2025 – Note 49***, "***Financial Statements – Audited Consolidated Financial Statements for the Financial Year 2024 – Note 49***" *and "****Financial Statements – Audited Consolidated Financial Statements for the Financial Year 2023 – Note 49****"* on pages 319, 398, and 484, respectively.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information set forth in this Placement Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate.

*We have described the risks and uncertainties that our management believes are material, but the risks set out in this Placement Document may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in future. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, Subsidiaries and our Joint Venture, prospective investors should read this section in conjunction with "**Management's Discussions and Analysis of Financial Condition and Results of Operations**", "**Industry Overview**" and "**Our Business**" on pages 88, 119 and 170, respectively, as well as the financial, statistical and other information contained in this Placement Document. In making an investment decision, prospective investors must rely on their own examination of us and the terms of this Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

Unless otherwise stated or the context otherwise requires, references in this section to "our Company", "we", "us", or "our" (including in the context of any financial or operational information) are to the Company, our Subsidiaries and our Joint Venture, on a consolidated basis, and references to "the Issuer" are to Navin Fluorine International Limited.

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Placement Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For details, see "**Forward Looking Statements**" on page 16.*

Our fiscal year ends on March 31 of each year. Accordingly, all references to "Fiscal", are to the 12-month period ended March 31 of the relevant year. The financial information included in this section for Fiscal 2025, Fiscal 2024 and Fiscal 2023 have been extracted from our Financial Statements beginning on page 256.

Unless otherwise indicated, the industry-related information contained in this section is derived from the F&S Report. We have commissioned and paid for the F&S Report pursuant to an engagement letter dated April 10, 2025 for the purposes of this Issue. The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue) of the F&S Report, that has been left out or changed in any manner. Unless otherwise indicated, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Internal Risks

Risks Relating to our Business

1. ***We are significantly dependent on our manufacturing facility located in Surat and Dahej in Gujarat, that contributed to ₹ 2,006.56 crore, ₹ 1,802.99 crore, and ₹1,629.16 crore accounting for 85.41%, 87.31% and 78.42% of our revenue from operations in Fiscal 2025, Fiscal 2024, and Fiscal 2023 respectively. Any developments affecting this facility could have an adverse effect on our business, results of operations, financial condition and cash flows.***

While our Company operates four manufacturing units strategically located at Surat and Dahej (Gujarat, India) (collectively, "**Gujarat Facilities**"), Dewas (Madhya Pradesh, India) and Runcorn (Cheshire, United Kingdom), a significant proportion of our revenue is attributable to the operations of our Gujarat Facilities. Our revenue from operations derived from our Gujarat Facilities during Fiscal 2025, Fiscal 2024, and Fiscal 2023, is set forth in the table below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Gujarat Facilities (in ₹ crore)	₹ 2,006.56	₹ 1,802.99	₹1,629.16
% of total revenue from operations	85.41%	87.31%	78.42%

Any disruption or shutdown of operations at this facility, whether due to natural disasters, fire, equipment failure, labour disputes, regulatory issues, or any other unforeseen circumstances, could severely impact our ability to manufacture and supply products in a timely manner. However, there has been no such major disruption in past three Fiscals at our Gujarat Facilities. This concentration of manufacturing capacity also increases our vulnerability to regional risks and limits our ability to respond

to demand fluctuations or scale production in the event of increased market demand. Any prolonged disruption at our Gujarat Facilities could lead to a delay or inability to fulfill customer orders, potentially harming our relationships with customers, and leading to a loss of market share. Furthermore, our dependence on a single manufacturing unit could lead to increased transportation costs and delivery delays, especially for customers located far from Gujarat Facilities. There can be no assurance that this concentration of manufacturing capacity will not have a material adverse effect on our business, financial condition and results of operations.

2. ***A significant portion of our revenue (83.29% of our revenue from operations in Fiscal 2025) is derived from application industries. Any adverse changes or downturn in the application industries could have an adverse impact on our Company's business and results of operations.***

Our products find diverse uses in varied application industries, including agrochemicals, pharmaceuticals and refrigeration industries. A significant part of our revenue is generated from sale of our products to these application industries and, consequently, the demand for our products is dependent on and directly affected by factors affecting these industries. The table below captures the percentage contribution of our major application industries in the revenue from operations of our Company:

Application Industry Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)
Pharmaceuticals	392.54	16.71%	290.38	14.06%	529.22	25.48%
Refrigeration	543.67	23.14%	429.75	20.81%	368.76	17.75%
Agrochemicals	541.62	23.05%	611.08	29.59%	416.53	20.05%
Construction	479.06	20.39%	384.26	18.61%	360.37	17.35%
Total	**1,956.89**	**83.29%**	**1,715.47**	**83.07%**	**1,674.88**	**80.63%**

Accordingly, any downturn in any of the aforementioned key application industries that we service, as a result of increased competition, regulatory action, patent litigation, pricing fluctuation or outbreak of an infectious disease like COVID-19 may impact us. For details with respect to significant factors affecting our results of operation, please see "***Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Significant Factors Affecting Our Results Of Operations***" on page 91. There can be no assurance that the lack of demand from any one of these industries can be off-set by sales to other industries in which our products find application or by successfully introducing new products or services in these industries. Accordingly, any significant downturn in the application industries including cases where sales to our customers substantially decrease there could be a significant impact on our financial condition and growth prospects.

3. ***Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing processes. Any slowdown or shutdown in our manufacturing operations that could interfere with our operations, or any delay in project execution or cost overruns could have an adverse effect on our business, financial condition and results of operations.***

Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including productivity of our workforce, compliance with regulatory requirements (including cGMP requirements), and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, disruption in electrical power or water resources, severe weather conditions, and natural disasters resulting in unplanned slowdowns or shutdowns. Any disruptions in our manufacturing operations could delay production or cause us to temporarily or permanently cease our manufacturing activities or may cause a delay in execution of our projects.

Furthermore, our manufacturing facilities at Gujarat, Madhya Pradesh, and United Kingdom are heavily dependent on plant and machinery. Any significant malfunction or breakdown of our machinery and equipment, our automation and IT systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. While we have had minor power failure of breakdown in the ordinary course of our business, we have not had any major such instances during the last three Fiscals, where our Company was affected, we cannot assure you that we shall not experience any malfunction or temporary or failure in the future. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to carry out the necessary repair of the malfunctioning machinery promptly, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financial condition or may cause a delay in execution of our projects. Further our ability to not meet the deadlines set by our customers in executing our projects or any cost-overruns due to an inaccurate initial estimate or cost-overruns due to delay in project execution may also adversely impact on our results of operations and financial condition. Due to reasons aforementioned we have had few instances of delay in project execution and cost-overruns in the past.

In the event of any violations of applicable regulatory approvals, we may experience manufacturing disruptions until they are resolved. As regulatory approvals are site specific; we may be unable to transfer manufacturing activities to another location immediately. Moreover, some of our products are permitted to be manufactured at only such facilities that have received specific

approvals, and any shut down of any such facility, including due to non-renewal of specific approvals, will result in inability to manufacture the relevant products for the duration of such shutdown. Pursuant to an order dated August 3, 2023, issued by the Gujarat Pollution Control Board ("**GPCB**"), one of the manufacturing plants of our Material Subsidiary, Navin Fluorine Advanced Sciences Limited, at Dahej, Gujarat, was directed for a closure of its operations and was required to pay a penalty of ₹ 1.00 crore under the provisions of the Air (Prevention and Control of Pollution) Act, 1981. We received a stay over direction dated August 9,2023. The occurrence of any such event in the future could have an adverse effect on our business, results of operation, and financial condition.

We may also face protests from local citizens at our existing manufacturing facilities which may delay or halt our operations. We may also face protests while expanding our existing facilities and setting up new facilities, which may delay our construction and capacity expansion plans. Further, our electricity requirements for our manufacturing facilities are met through captive power plant, external sources (state electricity board) or through third party open access, i.e., power purchase agreement from green source. While we maintain power back-up in the form of generator sets, we cannot assure you that we will successfully be able to prevent disruptions in our manufacturing processes in case of non-availability of adequate power supply.

In addition, we may also be required to carry out planned shutdowns of our manufacturing facility for maintenance, statutory inspections, customer audits and testing, or shut down certain facilities for capacity expansion and equipment upgrades.

The occurrence of any such event in the future could have an adverse effect on our business, results of operations and financial condition. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to delays in the entire production cycle and an inability to comply with our customers' requirements and lead to loss of revenue to us and our customers.

4. ***We face foreign exchange risks that could adversely affect our results of operations as substantial portion of our revenue (57.22% of our revenue from operations in Fiscal 2025) is from revenue from operations outside India.***

We have exposure to foreign exchange related risks since a substantial portion of our revenue from operations are in foreign currency, including the US Dollar and the Euro. Set out below are details of our revenue from operations outside India for the periods indicated:

Particulars	Fiscal					
	2025		2024		2023	
	Amount (₹ crore)	% of revenue from operations	Amount (₹ crore)	% of revenue from operations	Amount (₹ crore)	% of revenue from operations
Revenue from operations outside India	1,344.37	57.22%	1,344.51	65.11%	1,378.33	66.35%
Net gain on account of foreign currency transactions	0.30	0.01%	1.13	0.05%	2.84	0.14%

Similarly, a portion of our expenses, including cost of any imported raw material and other operating expenses as well as certain of our capital expenditure on equipment imported are denominated in currencies other than Indian Rupees. Further, we have manufacturing facilities in Runcorn (Cheshire, United Kingdom) where transactions are generally denominated in GBP. The functional currency for our Company's consolidated financial statements is Indian Rupees. The financial condition, cash flows and results of operations of our subsidiary operating in a jurisdiction outside of India is reported in the relevant functional currency and then translated to Indian rupee at the applicable currency exchange rates for inclusion in our consolidated financial statements. Exchange rates between these currencies and the Indian rupee in recent years have fluctuated significantly and may do so in the future, thereby impacting our results of operations and cash flows in Indian rupee terms. Although we closely follow our exposure to foreign currencies and use derivative financial instruments for hedging our financial risks that arise from our commercial business or financing activities in an attempt to reduce the risks of currency fluctuations, these activities may not always be sufficient to protect us against incurring potential losses if currencies fluctuate significantly. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures. While we have entered into hedging arrangements for protection against fluctuation in global currency rates, any volatility in currency exchange rates may have a significant adverse effect on our financial condition, results of operations and cash flows. For further information on our exchange rate risk management, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Foreign Exchange Risk***" on page 116.

5. ***We derive a significant part of our revenue (43.94% of our revenue from operations in Fiscal 2025) from our top five customers. Loss of any of these customers or a reduction in purchases by any of them could adversely affect our business, financial condition and results of operations.***

Our top five customers contribute 43.94% of our revenue from operations, as of March 31, 2025. We have established and will continue to focus on strengthening long-standing relationships with well-known customers across the industries that we cater to. The success of our business is accordingly significantly dependent on us maintaining good relationships with our customers.

Accordingly, any failure to retain these customers or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations. While there have been no past instances during the last three Fiscals of any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer, we cannot assure you that we will not experience such risks in future.
The table below sets forth certain information relating to contribution by our top one, top three and top five customers to our revenue from operations:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)
Top 1	498.54	21.22%	431.07	20.88%	423.81	20.40%
Top 3	856.04	36.44%	870.24	42.14%	810.37	39.01%
Top 5	1032.30	43.94%	1011.42	48.98%	959.94	46.21%

Our agreements with our top five customers are typically long-term in nature where the validity of the contract ranges between four years to seven years, with certain agreements being automatically renewed up to period of 5 years at a time.

For other customers, we instead rely on purchase orders to govern the volume and other terms of our sales of products. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories.

There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. While we catered to over 900 customers as of March 31, 2025, reliance on certain key customers for significant revenue may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers, failure to renew contracts with one or more of our significant customers, failure to renegotiate favorable terms with our key customers or the loss of these customers entirely, all of which would have a material adverse effect on our business, financial condition, results of operations and future prospects. In order to retain some of our existing customers we may also be required to offer terms to such customers which we may place restraints on our resources.

Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business. As of March 31, 2025, our 7 out of top 10 customers (in terms of revenue) have been associated with us for an average term of 10+ years. Any cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity.

Additionally, our customers typically expect high and stringent standards for product quality and agreed delivery schedules. Any material failure to meet our customers' expectations could result in the cancellation or non-renewal of agreements or purchase orders. While there have minor delays in delivery in the ordinary course of our business, there has been no material instances during the last three Financial Years of failure by us to meet customer standards in relation to product quality or delivery schedules, we cannot assure you that any such event will not occur in future.

Our business, financial condition and results of operations are dependent on our relationships with such customers. In Fiscal 2025, we catered to over 900 domestic and international customers as of March 31, 2025. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations and financial condition. We cannot assure you that we will be able to maintain historic levels of business with our significant customers. If we are unable to establish or maintain relationships with such customers on the existing terms and conditions or the current commercial arrangements, or if such customers terminate their agreements with us, it could have an adverse impact on our business, financial condition and results of operations. Further, if these customers terminate their agreements with us or suspend our services, which could result in an adverse impact on our relationships and reputation with these customers and could have a significant effect on our ability to provide services and solutions in the future and negotiate new relationships with these customers.

6. ***Our operations are manpower intensive, and our employee benefit expenses will continue to increase. We may not be able to pass such increase on to our clients. Our R&D and manufacturing operations may also be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.***

Our operations are manpower intensive, and we are dependent on a large skilled manpower for our R&D and manufacturing operations. As of March 31, 2025, 2024 and 2023, we had 1,498, 1,515 and 1,437 permanent employees. Employee benefit

expenses constitute a substantial component of our costs and is therefore an important factor in determining our profitability. Although the relatively lower cost of skilled labor has been an important factor in the success of Indian outsourcing businesses, including our own, our employee benefit expenses have steadily risen in line with general trends in the Indian market.

Set out below are details of our employee benefits expenses for the Fiscals indicated:

Category	Fiscal					
	2025		2024		2023	
	(₹ crore)	% of total expenses	(₹ crore)	% of total expenses	(₹ crore)	% of total expenses
Employee benefits expense	296.67	14.74%	285.84	15.56%	249.41	15.42%

Our employee costs may continue to increase over the coming years due to continued escalation in salaries and benefits as well as headcount growth. While we will seek to partially offset the rise in compensation, among other things, through an increase in pricing to our clients, an inability to affect such price increases will adversely affect our profitability.

The success of our operations depends on availability of manpower and maintaining good relationship with our workforce. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major prolonged disruption by among others, strikes, work stoppages or increased wage demands, in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. Since these disruptions are difficult to predict or control, they may also cause us to miss sales commitments, hurt our relationships with customers and disrupt our supply chain, which may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

7. ***We are subject to strict quality requirements, regular inspections and audits by our customers, and sales of our products is dependent on our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders.***

All our products and manufacturing processes are subject to stringent quality standards and specifications of our customers. Our products go through various quality checks at various stages including random sampling check and quality check internally. Our customers have in the past performed audit on the receipt, storage, dispensing of raw materials, dispensing of products, general production, utilities, quality control, quality system and quality assurance. While we have addressed the observations received in the past from our customers pursuant to such audits, there can be no assurance that such audits would not result in any adverse observations or that our customers will necessarily engage us for their outsourcing operations. These audits play a critical role in customer retention, and any material issues that arise in the course of these audit may lead to loss of the particular customer. While we believe we undertake the necessary measures and engage internal and external experts to ensure that our facilities comply with the applicable standards as imposed by our customers, any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of the order and even lead to loss of customers. Additionally, it could expose us to potential monetary liability and/ or litigation, the severity and timing of which are unpredictable, and could adversely affect our business, financial condition and results of operations.

We also have procured the ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 accreditations for our manufacturing facilities at Dahej and Surat. While we have put in place the quality control procedures, we cannot assure that our products will always be able to satisfy the prescribed quality standards. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the manufacturing of our products. While we have not faced such challenges including any adverse remarks in any inspection reports in past, any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business, financial condition, results of operations and prospects.

8. ***We are subject to increasingly stringent environmental, safety, health and labour laws and other applicable regulations, and the non-compliance with such laws and regulations may result in litigation, penalties, fines or cancellation or suspension of our operating licenses, may adversely affect our business, financial condition and results of operation.***

We are subject to laws and government regulations, including in relation to environmental protection, safety, health and labour laws. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, processing, handling, storage, transport or disposal of hazardous substances including employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. For instance, there is a limit on the amount of pollutant discharge that our R&D and manufacturing facilities may release into the air and water. Pursuant to an order dated August 3, 2023 issued by the Gujarat Pollution Control Board ("**GPCB**") one of the industrial plant of our Material Subsidiary, Navin Fluorine Advanced Sciences Limited, at Dahej was directed for a closure of its operations along with a payment of ₹ 1.00 crore under the provisions of the Air (Prevention and Control of Pollution) Act, 1981. We received a

stay over direction dated August 9, 2023.The occurrence of any such event in the future could have an adverse effect on our business, results of operation, and financial condition. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to delays in the entire production cycle and an inability to comply with our customers' requirements and lead to loss of revenue to us and our customers.

We handle and use hazardous materials in our R&D and manufacturing activities and the improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. We had one fatality in Fiscal 2024 and we encountered a few minor accidents in the use of such hazardous materials. Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our R&D and manufacturing facilities may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing plants, which in turn could lead to product shortages that may delay or prevent us from fulfilling our obligations to customers.

In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, expensive pollution control equipment, and emissions management or to make operational changes to limit impacts or potential impacts on the environment and/or health of our employee. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict. Further, with the expansion of our operations there can be no assurance that such non-compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such non-compliances, in a timely manner or at all.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, maternity leave, hiring and termination of employees, contract workers and work permits. Complying with, and changes in, laws and regulations or terms of approval may increase our compliance costs and adversely affect our business and results of operations. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. If we are unable to remain in compliance with all applicable environmental, health and safety and labour laws, our business, results of operations and financial condition may be adversely affected.

Additionally, we are also required to obtain and maintain various statutory and regulatory permits, licenses, registrations and approvals from governmental authorities for certain aspects of our operations, which requires us to comply with certain terms and conditions to continue our operations. Most of these approvals and licenses are subject to ongoing inspection and compliance requirements and are valid only for a fixed period of time subject to renewals and accreditations. Further, our compliance with these laws and regulations and our obtaining the necessary governmental permits are often a prerequisite for customer orders.

Although we have no reason to believe that such statutory and regulatory permits and approvals will not be granted and/ or renewed as and when requested, we cannot assure you that we will be able to maintain, renew or obtain any required statutory and regulatory permits and approvals, in a timely manner, or that no additional requirement will be imposed in connection with such request. If we fail to renew, obtain or retain any of such approvals, in a timely manner, or at all, our business and operations may be adversely affected. We cannot assure you that we will not be found to be in noncompliance with, or remain in compliance with all applicable environmental, health and safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production, or a material increase in the costs of production. If we fail to comply or a regulatory authority claims that we have not complied with such terms and conditions of any consents or permits, we may not be able to continue with our operations. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may hinder our operations.

9. ***Some of the products that we use as well as our finished products are corrosive and flammable and require expert handling and storage. While we take adequate care and follow all relevant safety measures, there is a risk of fire and other accidents, at our manufacturing facilities and warehouses. Any accidents may result in loss of property of our Company and or injury to personnel onsite and/or disruption in the manufacturing processes which may have a material adverse effect on our results of operations, cash flows and financial condition.***

Certain products manufactured by our Company such as refrigerant gases, hydrochloric acid and hydrofluoric acid and other substances used in our manufacturing process, and certain of our finished goods are corrosive and/or flammable in nature and require expert handling and storage. Our activities involve the controlled use of toxic and potentially harmful biological materials, as well as hazardous materials, chemicals and various radioactive compounds. Our activities involve, and will

continue to involve, the creation of hazardous substances or wastes, including medical waste and other highly regulated substances. Any failure in handling these raw materials and products in an appropriate manner, or any mishandling of hazardous chemicals or any adverse incident during the manufacturing process or storage, may cause industrial accidents, fire, personal injury, loss of human life, damage to our and third-party property and/or environmental damage. We had an incident of a fire outbreak in Fiscal 2023 at our Dewas facility for which the insurance claim was approximately ₹ 0.70 crore . Accordingly, while our Company believes that it has necessary controls and processes in place and have invested in engineering and safety infrastructure, provided adequate training to our employees and engaged external and internal experts, we may still be subject to operating risks associated with handling of such hazardous materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances. Any failure of such systems, mishandling of hazardous chemicals or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process may cause industrial accidents, fire, loss of human life, damage to our and third-party property and, environmental damage. If any industrial accident, personal injury, loss of human life or environmental damage were to occur, it may result in the shutdown of one or more of our manufacturing facilities and we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. Moreover, certain environmental laws impose strict liability for accident / damages resulting from hazardous substances and any failure to comply with such laws may lead to penalties, fines and imprisonment. Further, such occurrences may result in the termination of our approvals for manufacturing / storing such substances or penalties thereunder. The loss incurred by our Company may or may not be recoverable through insurance maintained by us. While no such material event has occurred in the last three Fiscals, any such event would in addition to adversely affecting our reputation also temporarily reduce our manufacturing capacity which could adversely affect our business, results of operations and reputation.

We have entered into certain arrangements with third parties in relation to the management of hazardous waste. However, there is no assurance that these third parties would fulfil their obligations. In addition to the loss as a result of such fire or industrial accident, any shutdown of our manufacturing facilities and warehouses could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition.

10. ***Any shortfall, delay, interruption or reduction in the supply of our raw materials or an increase in our transportation costs, raw material costs or other input costs, may adversely affect the pricing and supply of our services and products that we manufacture, thereby adversely affecting our business, results of operations, financial condition and cash flows.***

The cost incurred by our Company towards consumption of materials in Fiscal 2025 was ₹ 1,047.83 crore which constituted 52.05% of our total expenses. Raw materials such as fluorspar, vinyl chloride monomer, carbon tetrachloride, boric acid, chloroform, methylene dichloride are subject to supply chain disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. Further, the price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, foreign exchange rate, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade and regulatory restrictions. Any material reductions or interruptions in the supply of raw materials or equipment, may have an adverse effect on our ability to manufacture our products in a timely or cost-effective manner and may result in breach of our contractual obligations. The occurrence of any such event may adversely affect our business, results of operations and financial condition. Further, we source raw materials to our manufacturing through pipelines amongst other channels. Any disruption to these pipelines may cause a delay in supply of raw material which, delay in supply of our products to our customers and may affect our business, results of operation and financial condition.

As of 2024 top five reserves of fluorspar are in China, Mexico, South Africa, Mongolia, and Vietnam (*Source: F&S Report*). Due to concentrated availability, fluorspar prices are highly volatile, making secure access a vital factor for ensuring our sustainable business operations (*Source: F&S Report*). We have contracts with some of our third-party suppliers for key materials. We source other raw materials from the open market, which exposes us to volatility in the prices of raw materials and equipment that we may require for our operations, and we may not be able to pass such costs on to our customers, thereby leading to a reduction in our profit margins. Further, while we generally have more than one supplier for our raw materials, our suppliers may be unable to provide us with sufficient quantities of raw materials, at prices acceptable to us, for us to meet the demand for our service offerings. We are also subject to the risk that one or more of our existing suppliers, including some of our key suppliers on whom we are heavily dependent for raw materials such as fluorspar, vinyl chloride monomer, dichloromethane, chloroform and carbon tetrachloride, may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price.

Any increase in raw material prices due to factors such as inflation and transportation costs, may result in corresponding increases in our costs of services. While there have been no material disputes with suppliers in the past three Fiscals that have had an impact on the business, operations and financials of our Company, we cannot assure you that we will be able to continue to obtain adequate supplies of our raw materials, in a timely manner, in the future. Further, a failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver products to customers in an efficient, reliable and timely manner and could also lead to the shut-down of our operations or the under-utilization of our facilities, which in turn may have an adverse effect on our business, cash flows, results of operations and financial condition.

Some of our raw material imports are regulated by Bureau of Indian Standards (BIS), that, among others, requires the supplier to obtain BIS certificate for the chemicals proposed to be imported. Such standards might become more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. We cannot assure you that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. Further, any increase in export tariff will increase expenses which in turn may impact our business and results of operations.

11. ***Our failure to keep our technical knowledge confidential could erode our competitive advantage. Further, failure to maintain confidential information of our customers could adversely affect our results of operations and, or, damage our reputation.***

The performance of our service offerings is subject to trade secret protection, patents or other intellectual property protections owned or licensed by our customers. Further, we possess extensive technical knowledge about such services and products. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain technical knowledge may get leaked, either inadvertently or wilfully, at various stages of the production process. A significant number of our employees have access to confidential processes and product and client information and while we have mechanism in place to ensure that employees only have access to information on need to know basis, there can be no assurance that this information will remain confidential despite stringent internal controls and process controls which have been able to put in place across our operations. Moreover, certain of our employees may leave us and join our various competitors. All our employees are required to sign annual non-disclosure agreements and are required to abide by a code of conduct, which emphasizes the importance of intellectual property protection. However, if any of our employees breaches the non-disclosure provisions in such agreements, our reputation may suffer damage and we may become subject to legal proceedings that could require us to incur significant expenses and divert our management's time, attention and resources. While there has not been any breach of confidentiality obligations in the past, in the event of any breach or alleged breach of our confidentiality obligations under the agreements with certain customers, such customers may terminate their engagements with us or initiate legal proceedings for breach of contract. In addition, given that majority of our processes and products are not patented, we face an increased potential for damage from any breach of our confidential technical information, and thus we may have no recourse against copies of our processes and products that enter the market subsequent to such leakages. In the event that the confidential technical information in respect of the products we manufacture, or business becomes available to third parties or to the public, any competitive advantage we may have over other companies could be harmed. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult or expensive for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

We typically agree to confidentiality terms with our customers for whom we undertake manufacturing and provide services. As per these agreements, we are required to keep confidential, the know-how and technical specifications provided to us by these customers. In the event of any breach or alleged breach of our confidentiality agreements with our customers by us or our employees, these customers may terminate their engagements with us and/or initiate litigation for breach of contract, seeking damages and compensation from us. Assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have an adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

12. ***We operate in a highly competitive industry. Our inability to compete effectively may lead to a lower market share or reduced operating margins and otherwise adversely affect our business.***

Our revenue from operations has increased at a CAGR of 6.34% from ₹ 2,077.40 crore in Fiscal 2023 to ₹ 2,349.38 crore in Fiscal 2025. Our growth in different verticals has been as set out below:

Category	Fiscal					
	2025		2024		2023	
	(₹ crore)	% of revenue from operations	(₹ crore)	% of revenue from operations	(₹ crore)	% of revenue from operations
HPP	1206.14	51.34%	955.02	46.25%	886.09	42.65%
Specialty Chemicals	800.42	34.07%	847.97	41.06%	743.07	35.77%
CDMO	342.82	14.59%	262.02	12.69%	448.24	21.58%

However, we operate in a highly competitive industry with a number of other manufacturers that produce competing products, both in India and internationally. Competition in our business is based on pricing, relationship with customers, product quality, customization and innovation. While we may face pricing pressures from some of our peers who are able to operate at competitive costs and supply their products at a cheaper price, other competitors may have better research and technological resources. As a result, to remain competitive, we must continuously strive to reduce our production and distribution costs and improve our operating efficiencies and innovate our products offering. If we fail to do so, it may have an adverse effect on our market share and results of operations. In relation to our products segment, we may incur significant expense in preparing to meet anticipated customer requirements which may not be recovered.

For our CDMO business, our primary competitors are full-service pharmaceutical outsourcing or CDMO companies, contract manufacturers focussing on a limited number of dosage forms, contract manufacturers providing multiple dosage forms, and large pharmaceutical companies offering third-party manufacturing services to fill their excess capacity.

Further, there can also be no assurance that we will remain competitive with respect to technology, design and quality to our customers' reasonable satisfaction. Additionally, pricing negotiated with our significant customers in future agreements may be less favourable than those under our currently applicable arrangements. Some of our competitors may be larger than us and may benefit from greater economies of scale and operating efficiencies. There can be no assurance that we can continue to effectively compete with such manufacturers in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. Moreover, the competitive nature of the industry we operate in may result in lower prices for our products and decreased profit margins, which may materially adversely affect our revenue and profitability.

13. ***Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

As on the date of this Placement Document, we operate four Manufacturing Facilities and three R&D facilities located in close proximity to multi modal logistical options. The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise. The product requirements of, and procurement practice followed by, our customers also affect our capacity utilization. In recent times, we have made significant investments for the expansion of our manufacturing capacities and are continuing to undertake additional investments to increase our existing capacity. In case of oversupply in the industry or lack of demand we may not be able to utilise our expanded capacity efficiently. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance.

Our manufacturing facility at Dewas was relatively under-utilised. In the last three Fiscals the facility was utilised at 47.76%, 49.78% and 52.43% respectively. Further, our facility at Dahej was utilised up to 57.60% in Fiscal 2024. For details with respect to the installed capacity, available capacity, actual production and capacity utilisation of our manufacturing units as Surat, and Dahej and Dewas for the last three fiscals, please see "***Our Business – Manufacturing Facilities***" at page 178. Despite reduced capacity utilisation at the foregoing locations, we continue to incur fixed and recurring costs associated with this facility, including depreciation, employee costs, utilities, maintenance and other overheads. The lower absorption of these fixed costs has negatively impacted, and may continue to impact, our operating margins and overall profitability. In the event we are unable to improve the utilisation levels at this facility in line with our business and capacity planning assumptions, our return on capital employed may also be adversely affected.

In particular, the level of our capacity utilization can impact our operating results. High capacity utilization allows us to spread our fixed costs, resulting in higher EBITDA margin. Our product mix also affects capacity utilization of our manufacturing facilities, and the demand and supply balance and the average selling prices of our products, would in turn affect our gross profit margin.

We also face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies, which may result in reduced quantities being manufactured by us resulting in under-utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations, financial condition and cash flows.

14. ***We are dependent upon the experience and skill of our management team and our employees. We have faced attrition among our employees in the past and our inability to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.***

Owing to the scientific and specialized nature of our business, we are dependent upon our scientific and technical personnel. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Without a sufficient number of skilled employees, our operations could suffer. Competition among specialty chemicals companies for qualified employees with specialised knowledge and experience, particularly R&D personnel, is intense and the ability to retain and attract qualified individuals is critical to our success. In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. As of March 31, 2025, 2024 and 2023, we had 1,498, 1,515, and 1,437 permanent employees, respectively.

The attrition rate of our key managerial personnel ("**KMP**") and senior management personnel ("**SMP**") in the last three Fiscals is set out in the table below:

Category	Nos.	Attrition Numbers			Attrition %		
		Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2023	Fiscal 2024	Fiscal 2025
KMP	4	1	1	0	25%	25%	0
SMP	8	2	2	2	25%	25%	25%

The loss of the services of existing personnel, including through an increase in our attrition rate, as well as the failure to recruit additional key scientific, technical, and managerial personnel in a timely manner, could adversely impact our ability to expand our business and to remain competitive. Further, if we cannot hire additional qualified personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new services and products, we will need to continue to attract and retain experienced management, R&D and sales personnel. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel and to effectively compete, we may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees, which could materially and adversely affect our financial condition and results of operations.

15. ***Our funding requirements and proposed deployment of the Net Proceeds from this Issue are based on management estimates and have not been independently appraised.***

We intend to use the Net Proceeds for the purposes described in "***Use of Proceeds***" on page 70, including towards repayment/ prepayment of outstanding borrowing availed by our Company and our subsidiary, NFASL. As on the date of this Placement Document, our funding requirements are based on management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the Net Proceeds of the Issue. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds.

Further, we will appoint a monitoring agency for monitoring the utilization of Gross Proceeds in accordance with the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Various risks and uncertainties, including those set forth in this section "*Risk Factors*", may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

16. ***Our manufacturing units and R&D centres are concentrated in Gujarat, India. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Gujarat may have an adverse effect on our business, results of operations and financial condition.***

As of March 31, 2025, we operate our manufacturing facilities, with two situated in Gujarat, India, and operate three R&D centres, of which one is located in Gujarat, India. The geographic concentration of our manufacturing units and R&D centres heightens our exposure to adverse developments and economic shifts within this region. Any significant social, political, economic or seasonal disruptions, natural calamities or civil disruptions in Gujarat, India in general, could have an adverse effect on our business, results of operations and financial conditions or may cause a delay in execution of our projects.

While we have not faced any significant impact of such factors during the Fiscals 2025, 2024 and 2023, we cannot assure you that we will not face any adverse effect emanating from such factors in the future. Any such instances of natural disasters could adversely affect our business, results of operations and financial condition.

Due to concentration of our manufacturing facilities and R&D centres in Gujarat, India, regulations and policies of Gujarat will have significant effect on our business, results of operation and financial condition. Any significant change in existing policy, applicable to our operations could require us to incur additional capital expenditure. While we did not face any instances of having to incur material capital expenditure during the Fiscals 2025, 2024 and 2023, pursuant to any change in the policies, we cannot assure you that we may not need to incur such costs in the future. Any such instances could adversely affect our business, results of operations and financial conditions.

17. ***We have working capital requirements, and the actual amount and timing of our working capital requirements may differ from our estimates. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations. Further, any downgrade of our credit ratings may restrict our access to capital and thereby adversely affect our business and results of operations.***

Our business requires working capital to function, including in connection with our research, development and manufacturing operations. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, technological changes, additional market developments and new opportunities in Specialty Chemicals, CDMO and HPP verticals.

Our sources of additional financing, wherever required to meet our working capital needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types of transactions.

In many cases, a major portion of our working capital is required to finance the purchase of raw materials and to undertake our research, development and manufacturing operations before payment is received from customers, as well as towards credit period granted to customers for making payments against our invoices. Set out below are details of our operating working capital days for the periods indicated:

Fiscal	2025	2024	2023
Working Capital Days (days of sale)	90	103	138

Our working capital requirements may increase if the payment terms of our customers include reduced advance payments or longer payment schedules. These factors may result in increase in the amount of our receivables and may result in increase in any future short-term borrowings. Continued increase in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition.

We have also obtained credit ratings with respect to our short term and long term facilities as set out in the table below:

Name of the credit rating agency	Date of the letter issued by the credit rating agency	Credit rating	Purpose
CARE Ratings Limited	September 30, 2024	a. CARE AA; Stable (Double A; Outlook: Stable) b. CARE AA (CE); Stable (Double A (Credit Enhancement); Outlook: Stable) c. CARE A1+ (A One Plus) d. CARE AA (CE); Stable / CARE A1+ (CE) (Double A (Credit Enhancement) ; Outlook: Stable / A One Plus (Credit Enhancement))	With respect to our short term and long term facilities respectively

In addition, to the extent we receive credit ratings in respect of any of our future borrowings, any subsequent downgrade in those credit ratings may increase interest rates for our future borrowings, which would increase our cost of borrowings and adversely affect our ability to borrow on a competitive basis. Any issuance of equity, on the other hand, would result in a

dilution of the shareholding of existing shareholders. Any downgrade of our credit ratings may restrict our access to capital and thereby adversely affect our business and results of operations.

18. ***We are dependent on our research and development activities for our future success. If we do not successfully develop new products or continue our product portfolio expansion in a timely and cost-effective manner, our businesses, financial condition, cash flows and results of operations may be adversely affected.***

Our businesses catering to pharmaceuticals and other specialty sectors are characterised by technological advancements, introduction of innovative products, price fluctuations and intense competition. The laws and regulations applicable to our products, and our customers' product and service needs, change from time to time, and regulatory changes may render our products and technologies non-compliant or obsolete. Our ability to anticipate changes in technology and regulatory standards, understand industry trends and requirements, changes in consumer preferences and to successfully develop and introduce new and enhanced products to create new or address unidentified needs among our current and potential customers in a timely manner, is a significant factor in our ability to remain competitive. The development and commercialisation of new products are complex, time-consuming, costly and involves a high degree of business risk. This depends on a variety of factors, including meeting development, production, certification and regulatory approval schedules; execution of internal and external performance plans; availability of supplier and internally produced parts and materials; performance of suppliers; hiring and training of qualified personnel; achieving cost and production efficiencies; identification of emerging regulatory and technological trends in our target end markets; validation and performance of innovative technologies; the level of customer interest in new technologies and products; and the costs and customer acceptance of the new or improved products. We may be unable to successfully create these new products or encounter unexpected delays in the launch of these products and even if launched as planned, such products may not perform as we expect. There can be no assurance that we will be able to secure the necessary technological knowledge through our own R&D or through strategic acquisitions that will allow us to continue to develop our product portfolio or that we will be able to respond to industry trends by developing and offering cost effective products. We may also be required to make significant investments in R&D, which may strain our resources and may not provide results that can be monetized. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected.

Our R&D efforts may not result in new technologies or products being developed on a timely basis or meet the needs of our customers as effectively as competitive offerings. We have invested substantial effort, funds and other resources towards our R&D activities and have set-up dedicated in-house R&D facilities at Surat (Gujarat, India), Dewas (Madhya Pradesh, India) and Runcorn (Cheshire, United Kingdom). During Fiscals 2025, 2024 and 2023, our capital expenditures towards R&D were as follows:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)	Amount (in ₹ crore)	Percentage of Revenue from Operations (%)
Capital expenditure towards research and development	4.82	0.21%	80.10	3.88%	5.65	0.27%

Further, as of March 31, 2025, we had a dedicated team of over 108 employees in our R&D department, from various academic qualifications such as 18 employees having a Ph.D degree, 67 employees having a degree in masters of science, and other employees from other academic streams.

However, our ongoing investments in research and development for new products and processes may result in higher costs without a proportionate increase in revenues. Delays in any part of the process, our inability to obtain necessary regulatory approvals for our products or failure of a product to be successful at any stage could adversely affect our business. Consequently, any failure on our part to successfully introduce new products and processes may have an adverse effect on our business, results of operations and financial condition. Further, our competitors may develop competing technologies that gain market acceptance before or instead of our products. In addition, we may not be successful in anticipating or reacting to changes in the regulatory environments in which our products are sold, and the markets for our products may not develop or grow as we anticipate.

We continue to invest in developing new products to add to our product mix. Although, we follow a careful plan and strategy to develop our new products, the development of new products are subject to number of risks including, but not limited to, our failure to develop products that meet market demands and market requirements, our failure to meet competition and our failure to comply with applicable regulation. In addition, our new products may require significant capital expenditure for development and roll out and may take substantial time of the management. Further, the development and commercialisation of new products is characterised by significant upfront costs, including costs associated with R&D, product development activities, obtaining regulatory approvals, building inventory and sales and marketing. Accordingly, our proposed products may not be successful for these and other reasons. Further, our investments in new products, may be less profitable than what we have experienced historically or estimated, may be loss-making, may consume substantial financial resources and/or may divert management's

attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

We are also subject to the risks generally associated with new process technologies and product introductions, including lack of market acceptance, delays in product development and failure of products to operate properly which may lead to increased warranty claims. If we are unable to continuously develop new products or optimise our processes, our ability to grow and, or, compete effectively, might be compromised, which would have an adverse impact on our business and financial condition. There is also no guarantee that our new products will achieve market acceptance or that the timing of market adoption will be as predicted. There is a possibility, therefore, that some of our product or process development decisions, including R&D costs, or investments in technologies, may not meet our expectations, and that our investment in some projects may be unprofitable. While our R&D initiatives have helped us grow our operations in the past, changes in market demand or customer requirements may cause us to discontinue existing or planned developments for new products, which could have a material adverse effect on our financial condition.

19. *The demand of our products in foreign countries is subject to international market conditions and regulatory risks that could adversely affect our business and results of operations.*

A significant portion of our revenue is generated from the sale of exports across United States, Europe, Middle East & Africa and Asia. For March 31, 2025, March 31, 2024, and March 31, 2023, revenue from operations outside India are as follows:

Particulars	Fiscal					
	2025		2024		2023	
	Amount (₹ crore)	% of revenue from operations	Amount (₹ crore)	% of revenue from operations	Amount (₹ crore)	% of revenue from operations
Revenue from operations outside India	1344.37	57.22%	1344.51	65.11%	1378.33	66.35%

Therefore, any developments in the global specialty chemical industry or the industries in which our customers operate could have an impact on our sales outside India. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the United States, United Kingdom, Japan, and Korea, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have an adverse effect on our results of operations and financial condition.

20. *Our business may expose us to potential product liability claims which could adversely affect our results operation, goodwill and the marketability of our products*.

We develop, manufacture and sell a range of chemicals, which are primarily used as raw materials for products in end-use industries such as pharmaceuticals, construction and air conditioning industries. Our products go through diverse quality checks at various stages including random sampling check and quality check by internal and external agencies. Any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of the order and even lead to loss of customers. Additionally, it could expose us to monetary liability and/ or litigation.

In addition, we may be exposed to potential product liability claims, and the severity and timing of such claims are unpredictable. While we have taken insurance to protect us from such claims; however, this insurance coverage may be inadequate or not applicable to a particular set of claims. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. While our products are extensively researched before being commercialized, any adverse effects caused by such products could adversely affect our business and reputation. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. Product liability claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation and require our management's time and focus. Accordingly, such product liability claims, may adversely affect our results of operation, goodwill and the marketability of our products. We cannot assure you that we will be able maintain such low rates of rejection. Failure to meet quality and standards of our products and processes can have serious consequences including rejection of the product and loss of customer which could have adverse effect on our reputation, business and our financial condition.

We develop, manufacture and market a diverse range of products, which are primarily used as raw materials for a variety of end use applications. The products we manufacture for our customers may cause severe side effects as a result of a number of factors, many of which may be outside our control. These factors, which may become evident only when they are introduced into the market, unusual but severe side effects in isolated cases, defective products not detected by our quality management system or misuse by our clients of the products manufactured by us. If our products or our customers' products cause, or are

perceived to cause, severe side effects to their end-users we may face a number of consequences, including, a severe decrease in the demand for, and sales of, the relevant products; the recall or withdrawal of the relevant products; withdrawal or cancellation of regulatory approvals for the relevant production facility; damage to our reputation and brand name; and exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions. While there have been no material instances during the last three Fiscals 2025, 2024 and 2023, of such risk, in case any of our products or products of our customer cause, or are perceived to cause, severe side effects our business, financial condition and results of operations may be adversely affected.

A successful product liability claim that is excluded from coverage or exceeds our policy limits may require us to pay substantial sums and may adversely affect our financial position and results of operations. In addition, insurance coverage for product liability may become prohibitively expensive in the future. As a result, it is possible that, in the future, we may not be able to obtain the type and amount of coverage we desire at an acceptable price and self-insurance may become the sole commercially reasonable means available for managing the product liability risks of our business.

21. *Our performance may be adversely affected if we are not successful in forecasting customer demands, managing our inventory or working capital.*

Our business depends on our estimate of the long-term demand of our products from our customers. We maintain adequate inventory of raw material requirements for the manufacture of our products and we forecast the demand for raw materials on the basis of our operating levels and market insights on demand. Efficient inventory management is a key component of the success of our business, financial conditions, results of operations and profitability. We evaluate our inventory balances of materials based on shelf life, expected sourcing levels, known uses and anticipated demand based on forecasted customer order activity and changes in our product sales mix. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. We maintain sufficient inventory levels and an appropriate product sales mix to meet our customers' demands, without allowing those levels to increase to such an extent that the costs associated with storing and holding other inventory adversely affects our results of operations. For the Fiscals 2025, 2024 and 2023, the following are our outstanding inventory levels at the end of the respective fiscal and the inventory turnover ratio for such fiscal:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Inventories (Rs in crore)	322.42	371.65	468.12
Inventory turnover ratio (Days of sales)	50	66	82

If our raw materials purchase decisions do not accurately predict sourcing levels, customer trends or our expectations about customer demands and needs are inaccurate, we may have to take unanticipated markdowns or impairment charges to dispose off the excess or obsolete inventory, which can adversely affect our results of operations. We may also incur unanticipated losses and our financial condition may be adversely affected if our products lying in our inventory become obsolete and are not able to be liquidated due to loss of market demand or any regulatory change. For instance, two international treaties to which India is a signatory, Montreal Protocol and the Kigali Agreement, requires that in order to protect the Earth's ozone layer, the production of certain chemicals that deplete the ozone layer out are phased out. In accordance with the foregoing treaties, two of our products – HFC and HCFC are required to be phased out. In the event any such of our products that lie in our inventory do not find a buyer in the market or the sale of such products are banned, our financial condition may be adversely affected.

Our working capital requirements may also increase if payment terms shift payments on completion of delivery or otherwise increase our working capital burdens. If a client defaults in making its payment on a product to which we have devoted significant resources, it may also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses. All of these factors may result, or have resulted, in increases in our working capital requirements. If we are unable to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms or at all, it may adversely affect our business, growth prospects, financial condition and results of operations.

22. *We engage contract workers for carrying out certain functions of our business operations. In the event of non-availability of such contract workers, or any adverse regulatory orders or any default on payments to them by the independent contractors could lead to disruption in the R&D and manufacturing facilities and our business operations.*

We engage independent contractors through whom we engage contract workers for performance of certain functions at our manufacturing units and at our offices. In the Fiscals 2025, 2024 and 2023, the details of contract workers engaged by us and the cost of contract workers as a percentage of revenue from operations is as follows:

Particulars	Fiscal					
	2025		2024		2023	
	Total number	% of total number of employees engaged	Total number	% of total number of employees engaged	Total number	% of total number of employees engaged

Contract workers engaged in operations	792	34.59%	759	33.38%	703	32.85%

Particulars	Fiscal					
	2025		2024		2023	
	Total Amount (₹ crore)	% of revenue from operations	Total Amount (₹ crore)	% of revenue from operations	Total Amount (₹ crore)	% of revenue from operations
Labour contract charges	29.26	1.25%	27.27	1.32%	31.17	1.50%

Although we do not engage these contract workers directly, we are responsible for any wage payments to be made to such labourers in the event of default by their respective independent contractors. Any requirement to fund such defaulted wage requirements may have an adverse impact on our results of operations and our financial condition.

Our dependence on contract labour may result in risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. For instance, our manufacturing process is dependent on a technology driven production system and any inability of our labour to successfully familiarize with such technology will adversely affect our business, financial condition, result of operations and cash flows.

We are also subject to the laws and regulations in India governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract workers and work permits. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. For instance, the GoI has recently introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. Furthermore, any upward revision of wages that may be required by the State Government to be paid to such contract workers would increase our costs and may adversely affect the business and results of our operations. For instance, recently the Labour, Skill Development and Employment Department, Government of Gujarat, has pursuant to a notification dated March 27, 2023 under the Minimum Wages act, 1948, increased the basic wage of workers by approximately 24% for skilled, semi-skilled and unskilled labour under the Minimum Wages act, 1948. Any similar upward revisions could have an adverse impact on our costs and profitability in the future.

23. ***We operate our R&D and manufacturing facilities on land parcels that are held by us on a leasehold basis. Our inability to seek renewal or extension of such leases may adversely affect our business operations.***

The following facilities are located on leased land as set out in "***Our Business – Properties***" on page 182. Under the terms of some of our lease arrangements, we are required to comply with certain ongoing conditions which include, among others, using the leased premises for only authorized purposes, prior consent from the lessor/developer to carry out any construction, or modification activities, compliance with environmental laws and other applicable laws, regulations, order and directions. While there are currently no instances of non-compliance of the terms of our lease agreements, there can be no assurance that there will be no such non-compliance leading to termination of such leases in the future. Any change in the terms and conditions of the lease agreements and any premature termination of such lease agreements may have an adverse impact on our business operations. For further details, see "***Our Business – Properties***" on page 182.

We may not be able to renew or register our leases on commercially acceptable terms, or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements and we cannot assure that the new arrangements will be on commercially acceptable terms. We may be required to acquire land for the construction of additional facilities in the future. There can be no assurance that we will be granted rights over such land at terms favourable to us, or at all. If we are required to relocate our business operations or shut down our R&D and manufacturing facilities, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

In addition, any regulatory non-compliance by the landlords or us or adverse development relating to the landlords' or our title or ownership rights to such properties, may entail significant disruptions to our operations, especially if we are forced to vacate the leased spaces following such developments. If our sales do not increase in line with our rent and costs, including setup and interior design costs, our profitability and results of operations could be adversely affected.

24. ***We have experienced negative cash flows from operation in the past. We cannot assure you that our net cash flows will be positive in the future.***

We had experienced negative cash flows in the past, primarily due to high working capital in Fiscal 2023. The following table sets forth our cash flows for the years indicated:

(in ₹ crore)

Net cash (used in)/ generated from operating activities	Fiscal		
	2025	2024	2023
	570.81	749.89	(63.59)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Statements***" on page numbers 88 and 255, respectively.

25. ***Some of our employees are members of union and we may be subject to industrial unrest, slowdowns and increased wage costs, which may adversely affect our business and results of operations***

While we strive to maintain positive labour relations, there is a risk of labour disruptions, including strikes, work stoppages, or slowdowns, particularly during periods of collective bargaining or labour disputes.

There can be no assurance that we will be able to resolve any future labour disputes on satisfactory terms or without interruption to our operations. Any prolonged work stoppage or industrial action could have a material adverse effect on our business, financial condition, results of operations, and reputation.

Certain employees at our manufacturing facility at Surat, Gujarat are represented by a labour union . While, we have not experienced strikes by the labour union at the manufacturing facility at Surat, Gujarat in past three Fiscals. there may be an adverse effect on our business, results of operations and reputation pursuant to such labour strikes at our manufacturing unit.

26. ***Our inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to various risks inherent in the chemical industry including defects, malfunctions and failures of laboratory and manufacturing equipment, fire, riots, strikes, explosions, accidents and natural disasters. While we maintain insurance policies including marine cargo insurance, industrial all risk, cyber liability, directors' and officers' insurance, professional indemnity insurance policy, comprehensive general liability and public liability act policy which covers our manufacturing facilities, R&D facilities, warehouses and offices from losses in the case of natural calamities, fire, special perils, burglary and theft, our insurance may not be adequate to completely cover any or all of our risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be commercially viable or justifiable. While there have been no instances in the past three Fiscals where claims have exceeded the insurance coverage obtained by our Company, we cannot assure you that, in the future, any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. We maintain sufficient insurance coverage for anticipated risks which are standard for our type of business and operations.

For Fiscals 2025, 2024 and 2023, our total insurance coverage, the total carrying value of our assets (including property, plant and equipment, capital work in progress, right of use assets and intangible assets), and our insurance cover for the carrying value of the assets (including property, plant and equipment, capital work in progress, right of use asset and intangible assets) were as follow:

Particulars	Fiscal					
	2025		2024		2023	
	Total Amount (₹ crore)	% of revenue from operations	Total Amount (₹ crore)	% of revenue from operations	Total Amount (₹ crore)	% of revenue from operations
Total insurance coverage	4,945.18	210.49%	4,432.53	214.65%	4,121.08	198.38%
Total carrying value of assets	3,214.22	136.81%	2,753.28	133.33%	2,198.83	105.84%
Insurance cover for the carrying value of the assets		153.85%		160.99%		187.42%

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain losses which may not be covered by the insurance policies, which we have not ascertained as on the date. Therefore, we cannot assure you that we will continue to accurately ascertain and maintain adequate insurance policies for losses that may be incurred in the future. Further, we cannot assure you that any insurance claim made by us in the future will

be honoured fully, in part or on time. For further information on the insurance policies availed by us, see "***Our Business - Insurance***" on page 182.

27. *We are subject to certain legal proceedings, and we cannot assure you that we will be successful in all of these actions. In the event we are unsuccessful in litigating any or all of the disputes, our business, results of operations and financial condition may be adversely affected.*

We may have to contest certain legal proceedings in various courts and tribunals, including certain taxation proceedings, regulatory and statutory proceedings and civil proceedings before various forums during the course of our business operations and cannot assure you that the outcome of these legal proceedings will be favourable. Any unfavourable decision in any matters which may arise, may adversely affect our reputation and financial condition. Such litigation could divert management time and attention and consume financial resources in their defence or prosecution. In addition, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements. If we fail to successfully defend our claims or if our provisions prove to be inadequate, our business, results of operations and financial condition could be adversely affected. For further details of the material legal proceedings that we are subject to, see the section titled "***Legal Proceedings***" on page 248.

28. *We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, termination of our credit facilities, suspension of further drawdowns, etc., which may adversely affect our business, results of operations and financial condition.*

As of March 31, 2025, our total borrowings (consisting of current and non-current borrowings) amounted to ₹ 1,440.73 crore. Our ability to pay interest and repay the principal amount for our indebtedness is dependent upon our ability to manage our business operations and generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have significant consequences, including, without limitation: requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including capital expenditures, acquisitions, and strategic investments, competition pressures and market conditions; and limiting our ability to obtain additional financing for working capital, capital expenditures, acquisitions, share repurchases, or other general corporate and other purposes.

Our financing arrangements include conditions that require us to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Certain of the corporate actions that require prior consents from certain lenders include, amongst others, changes to capital structure and shareholding pattern of the Company, change in general nature of the business of the Company, reduction or dilution in the shareholding of the promoters, change in control, changes in constitution or management of the Company, management control or management set-up in the Company and composition of the board of directors, and changes to the charter documents. While there have been no defaults / delays in repayments, restructuring or covenant breaches in any loans or debt payments in the past three years, there can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

While we have not breached any covenant under our financing arrangements in last three Fiscals, a failure to observe the covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, default and acceleration of amounts due under such facilities, suspension of further access/ withdrawals, either in whole or in part, for the use of the facility and/or restructuring of our debt any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

Our ability to make payments on our indebtedness will depend on our future performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond our control. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations, our contractual obligations, or to fund our other liquidity needs, we may be forced to sell our assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness and/ or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

29. *The cost of implementing new technologies for our operations could be significant and could adversely affect our business, financial condition and results of operations.*

Our future success may depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. We intend to continue investing in new technologies and capabilities to enable further technical innovation and improve our offerings to our customers. The cost of implementing new technologies, upgrading our R&D and manufacturing facilities and retaining our research staff could be significant and could adversely affect our

profitability. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to the technology underpinning our operational platform, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our services less competitive or attractive. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures or write-down of assets. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs in comparison to our competitors who are able to successfully implement such technologies and lead to us being less competitive in terms of our prices or quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our profitability. Any of the above events may adversely affect our business, financial condition, results of operations and prospects.

30. *Our business depends significantly on the continued effectiveness of our information technology infrastructure, and failure of such technology including cyber risks could adversely impact our business and results of operations.*

The efficient operation of our business depends on our information technology infrastructure and our management information systems. Our information technology infrastructure includes third party solutions, a failure of which could severely disrupt our business and adversely affect our results of operation. In addition, our information technology infrastructure and/or our management information systems are vulnerable to damage or interruption from, among others, natural or man-made disasters, terrorist attacks, computer viruses or hackers, power loss, other computer systems, internet telecommunications or data network failures. While we have not yet faced any failure in our information technology infrastructure, any such interruption could adversely affect our business and results of operations.

A significant portion of our operations rely on the secure processing, storage and transmission of confidential information, including client and personal confidential information. Our activities are subject to a risk of cyber security issues and/or attacks which could result in the disclosure or loss of confidential client information, damage to our reputation, additional costs, regulatory penalties and financial losses. Cyber threats are rapidly evolving and are becoming increasingly sophisticated. We expect to continue to experience cyber threats from time to time, which pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. Disruptions or failures in the physical infrastructure or operating systems that support our businesses and customers, or cyber-attacks or security breaches of our networks or systems, could result in the loss of customers and business opportunities, legal liability, regulatory fines, penalties or intervention, other litigation, regulatory and legal risks and the costs associated therewith, reputational damage, reimbursement or other compensatory costs, remediation costs, increased cybersecurity protection costs, additional compliance costs, increased insurance premiums, and lost revenues, damage to our competitiveness, share price, and long-term shareholder value, any of which could materially adversely affect our business, financial condition and results of operations.

Further, despite our security measures, our computer systems, software and networks, or those of our suppliers, customers and so on, are vulnerable to unauthorized access, loss or destruction of data (including confidential client information and personal health data), hardware malfunctions, computer viruses or other malicious code, cyber-attacks and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties or may result from accidental technological failure. Also, changes to our operating systems, software or programs could adversely impact our business. Any disruption in the continued effectiveness of our information technology infrastructure, and/or in case of our technology infrastructure becoming outdated or obsolete could affect our business and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT and manufacturing automation systems may lead to inefficiency or disruption of our operations and thereby adversely affecting our business, financial condition and results of operations.

31. *Any shortage or non-availability of essential utilities such as electricity and water could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.*

Our business operations are heavily dependent on continuous supply of electricity, water, natural gases and our captive power plant which are critical to our R&D and manufacturing operations. While our power requirements are met through local state power grid through interstate open access as well as diesel generator sets and captive coal power plant, we may still face a shortage of electricity despite these arrangements. Further, while water is procured through municipal supply as well as canal supply, any shortage or non-availability of water or electricity could result in temporary shutdown of a part, or all, of our operations at the location experiencing such shortage. For instance, certain shortages in electricity in the past, such as during the power holidays have led to additional cost of backup generator and maintenance costs. Further, such shutdowns could, particularly if they are for prolonged periods, have an adverse effect on our business, results of operations and financial condition. Moreover, if we are required to operate for extended periods of time on diesel-generator sets or if we are required to source water from third parties, our cost of operations would be higher during such period which could have an adverse impact on our profitability.

32. *Our Directors have interests in us other than the reimbursement of expenses incurred and normal remuneration and benefits.*

Our Directors may be deemed to be interested in our Company to the extent of their shareholding, remuneration, including compensation payable to them for attending meetings of our Board or committees thereof. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, their relatives and associates or companies, firms,

partnerships, HUFs, or entities in which they are interested as directors, members, partners, karta, trustees, executive officers, and to the extent of benefits arising out of such shareholding. For details, see "***Capital Structure***" on page 81 and "***Board of Directors and Senior Management – Interests of the Directors***" on page 188. We cannot assure that our Directors, if they are also our shareholders, will exercise their rights as shareholders to the benefit and best interest of our Company.

33. *Acquisitions, strategic investments, partnerships or alliances may be difficult to integrate, and may adversely affect our financial condition and results of operations.*

We may, from time to time, look for opportunities to acquire businesses or enter into strategic partnerships or alliances. If we choose to grow through further acquisitions, we may face risks including: (i) difficulties integrating the personnel, operations, technology, internal controls and financial reporting of companies we acquire into our operations; (ii) disruption of our ongoing business and diversion of the attention of our management; (iii) potential loss of skilled professionals and established client relationships of the businesses we acquire; (iv) unforeseen or hidden liabilities or costs post-acquisition; (v) regulatory hurdles in completing an acquisition; and (vi) challenges in achieving the expected benefits of synergies and growth opportunities in connection with these acquisitions and alliances. In addition, acquisitions may result in impairment of goodwill and other intangible assets, adversely affecting our financial condition and results of operations. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. We may not be able to achieve the strategic purpose of such acquisition or operational integration or our targeted return on investment.

34. *Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.*

We provide our customers with certain credit periods, as part of our standard payment terms. While we generally limit the credit, we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, there is a risk that our estimates of credit worthiness of our customers may not be accurate. The following are our trade receivables for Fiscals 2025, 2024 and 2023:

Particulars	Fiscal					
	2025		2024		2023	
	Amount (₹ crore)	% of revenue from operations	Amount (₹ crore)	% of revenue from operations	Amount (₹ crore)	% of revenue from operations
Trade receivables	582.42	24.79%	512.51	24.82%	561.52	27.03%

Our results of operations and profitability depend on the credit worthiness of our customers. Any increase in our receivable turnover days or write-offs will negatively affect our business. Further, any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations.

35. *We are dependent on third party transportation providers for the supply of raw materials and delivery of our products.*

We use third party freight and transportation providers for the supply of our raw materials and delivery of our products to our customers in India and overseas. Details of our carriage outwards expenses are set out below.

Category	Fiscal					
	2025		2024		2023	
	(₹ crore)	% of total expenses	(₹ crore)	% of total expenses	(₹ crore)	% of total expenses
Transport & freight charges (net)	69.00	2.94%	43.15	2.09%	43.07	2.07%

Transportation strikes, if any, could also have an adverse effect on supplies and deliveries to and from our customers and suppliers. We may not be a major client to certain of our suppliers, and these suppliers may prioritize other customers, including our competitors, over us. Further, our suppliers may encounter financial hardships unrelated to our demand for the products we manufacture, which could impede their ability to fulfil our orders and meet our requirements. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver products to customers in an efficient, reliable and timely manner and could also lead to the shut-down of our operations or the under-utilization of our facilities, which in turn may have an adverse effect on our business, cash flows, results of operations and financial condition.

36. *Land titles in India can be uncertain and we may not be able to identify or correct defects or irregularities in title to the land which we own, lease or intend to acquire in connection with the development of our manufacturing facilities.*

There is no central title registry for real property in India and the documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and in local languages and are updated manually through physical records. Therefore, property records may not be available online for inspection or updated in a timely manner, may be illegible, untraceable, incomplete or inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. In addition, there may be a discrepancy between the duration of the principal lease under different orders issued by state governments in respect of a particular parcel of revenue land.

The difficulty of obtaining title guarantees in India means that title records provide only for presumptive rather than guaranteed title. The original title to lands may often be fragmented and the land may have multiple owners. In addition, title insurance is not commercially available in India to guarantee title or development rights in respect of land. The absence of title insurance, coupled with the difficulties in verifying title to land, may increase our exposure to third party claims to the property. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subjected to encumbrances that we are unaware of. Further, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property. As a result, potential disputes or claims over title to the land on which our manufacturing plants are or will be situated may arise. Such disputes, whether resolved in our favour or not, may divert management's attention, harm our reputation or otherwise disrupt our business. We may not be able to assess, identify or address all the risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights.

37. *Our customers' agreements are governed by the laws of various countries and disputes arising from such agreements and may be subject to the exclusive jurisdiction of the courts situated in such countries.*

Most of our agreements executed with our customers are governed by the laws of the country in which the client is incorporated including India, the United States, Europe, Japan and Korea. Further, any disputes related to such contracts may be subject to the exclusive jurisdiction of courts situated in such countries. Any lawsuits with respect to such disputes must be instituted in a court having jurisdiction over the agreement, which may cause difficulty for us to manage such suits and to obtain enforcement of awards. It may also lead to greater costs for managing such litigation, thereby affecting our business and results of operations.

38. *If we are unable to maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.*

We are responsible for establishing and maintaining adequate internal control measures commensurate with the size and complexity of operations. We also manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system in the last three Fiscals, however, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

While we have taken reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls require human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. These factors may have an adverse effect on our reputation, business, results of operations, cash flows and financial condition. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

39. *Grants of stock options under our ESOP 2007 and ESOP 2017 may result in a charge to our profit and loss account and, to that extent, reduce our profitability and adversely affect our financial condition.*

The price at which such Equity Shares were issued is not indicative of the Offer Price, or the price at which the Equity Shares will be traded going forward. Further, our Company may, in the future, continue to issue Equity Shares, including through the grant of stock options under our ESOP 2007 and ESOP 2017, at prices that may be lower than the Offer Price, subject to compliance with applicable law. The grant of stock options result in a charge to our statement or profit and loss account and reduce, to that extent, our reported profits in future periods. Any issuances of Equity Shares by our Company, including through the grant of stock options under our ESOP 2007 and ESOP 2017, may dilute your shareholding in our Company, thereby adversely affecting the trading price of the Equity Shares and our ability to raise capital through any issuance of new securities.

40. *Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements.*

Dividends that we have paid in the past may not be reflective of the dividends that we may pay in a future period. The declaration and payment of dividends, if any, will be recommended by our Board at their discretion and will depend on a number of factors, including our earnings and profitability, financial condition, cash flows and capital requirements. We may decide to retain all of our earnings to finance the development and expansion of our business and therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends in the future. For further details on our dividend policy, see "***Dividends***" on page 87.

41. *Certain sections of this Placement Document disclose information from the F&S Report which has been prepared exclusively for the Offer and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*

We have availed the services of an independent third party research agency Frost & Sullivan (India) Private Limited prepare the report titled "*Independent Market Report for Navin Fluorine International Limited*" dated July 4, 2025 (the "**F&S Report**"), for purposes of inclusion of such information in this Placement Document to understand the industry in which we operate pursuant to an engagement agreement. The F&S Report has been exclusively commissioned and paid for by our Company. Certain information in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Industry Overview***" and "***Our Business***" and on pages 88, 119 and 170, respectively, have been derived from the F&S Report. The F&S Report may base its opinion on estimates, projections, forecasts and assumptions that may prove to be incorrect. The F&S Report also highlights certain industry, peer and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely amongst different industry sources. Furthermore, such assumptions may change based on various factors. We cannot assure that the assumptions in the F&S Report are correct or will not change and, accordingly, our position in the market may differ from that presented in this Placement Document. Furthermore, the commissioned report is not a recommendation to invest or disinvest in our Company and shall not be construed as an expert advice or investment advice. The F&S Report is a paid report and is subject to various limitations and based upon certain assumptions that are subjective in nature. Prospective investors are advised not to unduly rely on the F&S Report or extracts thereof as included in this Placement Document, when making their investment decisions.

42. *We are currently entitled to certain tax incentives and export promotion schemes. Any decrease in or discontinuation in policies relating to tax, duties or other such levies applicable to us may affect our results of operations.*

We benefit from certain tax regulations, incentives and export promotion schemes that accord favorable treatment to one of our manufacturing units. For benefits available to our Company under taxation legislations including subsidies availed by our Company, please see "***Taxation***" on page 242. We have also applied for subsidy for investment done in our manufacturing facility at Dewas.

We cannot assure you that we would continue to be eligible for such lower tax rates, subsidies or any other benefits. New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and adversely affect our business, financial condition, cash flows and results of operations.

43. *We have invested in certain equity instruments and accordingly are exposed to any risk that may arise out of our investment in such equity instruments.*

We have invested in certain equity instruments and are mainly exposed to the price risk due to our investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is also related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. Further, these investments are subject to changes in the market price of securities.In the event of any adverse market condition, or the performance of the securities in which we have invested, and several marked-linked factors which are out of our control, we may incur losses and our financial condition may be adversely affected.

External Risks

Risks Relating to India

44. *Financial instability in other countries may cause increased volatility in Indian financial markets. Political, economic or any other factors that are beyond our control may have an adverse effect on our business and results of operations.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India.

Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Risks resulting from a relapse in the Eurozone crisis or any future debt crisis in Europe or any similar crisis could have a detrimental impact on consumer confidence levels and global economic recovery. The ongoing Ukraine-Russia conflict as well as the Israel-Palestine and Israel-Iran conflict are affecting global trade and the price of oil and gas and has also added to the growth risks for markets globally. Further, the developing tensions between Taiwan and China might also impact the world trade. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

Further, investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of our Equity Shares.

As a result, we are dependent on prevailing economic conditions in India and globally and our results of operations are affected by factors influencing the Indian economy. The following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in government or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms which have led to increased incidents of social unrest in India over which we have no control;
- instability in other countries and adverse changes in geopolitical situations;
- strikes, lock-outs, work stoppages or increased wage demands by employees, suppliers or other service providers;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;
- epidemics or any other public health emergency in India or in countries in the region or globally, including in India's neighboring countries;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation;
- banking failure in any financial institute where our Company's monies are deposited;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins;
- downgrading of India's sovereign debt rating by rating agencies; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the global and/or Indian economy, or in specific sectors of the economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the global economy as well as the Indian economy. Moreover, we are dependent on the various policies, initiatives and schemes proposed or implemented in India, however, there can be no assurance that such policies, initiatives and schemes will yield the desired results or benefits which we anticipate and rely upon for our growth.

45. ***Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

Our Financial Statements for Fiscals 2025, 2024 and 2023 have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should be limited accordingly.

46. ***Any adverse revision to India's debt rating by a domestic or international rating agency could adversely affect our business.***

India's sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. India's sovereign rating has been affirmed by Fitch Ratings with a stable outlook in August 2024. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

47. ***Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries would negatively affect the Indian market where our Equity Shares trade and lead to a loss of confidence and impair travel, which could reduce our customers' appetite for our products and services.***

Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries may negatively affect the Indian markets on which our Equity Shares trade and also materially and adversely affect the global financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and as a result ultimately materially adversely affect our business, financial condition and results of operations. In addition, any deterioration in relations between India and its neighbors might result in investor concern about stability in the region, which could materially and adversely affect the price of our equity shares.

India has also witnessed civil disturbances in recent years and future civil unrest as well as other adverse social, economic and political events in India could have an adverse impact on us. Such incidents also create a greater perception that investment in Indian companies involves a higher degree of risk, which could have an adverse impact on our business and the price of our Equity Shares.

48. ***Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in the countries in which we operate, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

For instance, the Government of India, in recognition of HFCs' and HCFCs' role in amplifying global warming, agreed to curtail HFC emissions, as part of the Kigali Amendment to the Montreal Protocol. While India successfully negotiated for a longer timeline for itself to phase down emissions arising from the HFC production and consumption in view of the technological and financial implications of such a transition on its development agenda, the commitments under the Kigali Amendment to the Montreal Protocol have had and shall continue to have significant impact on our business. Such commitments have fueled the shift from the production and consumption of HFC and HCFC gases to HFO gases, which contributes towards reduction in ozone depletion and greenhouse gas emissions. While we have proactively embarked on transition to relatively sustainable alternatives to HFC and HCFC gases by investing into research and development and partnering with the international corporations to produce their proprietary range of HFO gases in India, we may not be able to completely transition to HFO gases within the timelines committed by the Government of India under the Kigali Amendment to the Montreal Protocol, which may lead to adverse regulatory and/or financial consequences for us. At present, our productions of the HFO gases are limited, and consequently, we may also not be able to meet the growing demand of HFO gases, thereby affecting the viability of our current business or restrict our ability to grow our business in the future.

The Government of India also introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("Social Security Code"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labor legislations, which were to take effect from April 1, 2021 (collectively, the "Labour Codes"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

Further, the Government of India has introduced the Finance Act, 2025, which received the assent from the President of India on March 29, 2025. The Finance Act, 2025, proposed various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Act, 2025, may have on our business and operations or on the industry in which we operate. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

The Government has also proposed an alteration in the concessional basic customs duty rate on drugs, medicines, diagnostic kits or equipment and bulk drugs used in the manufacture of drugs and specified goods for use in the pharmaceutical and bio-technology sectors imported for R&D use. On the Goods and Service Tax front, the Government has proposed to restrict the availability of input tax credits if a vendor has been non-compliant. The abovementioned changes may have an adverse effect on our future business, prospects, financial condition, cash flows and results of operations. We have not fully determined the impact of these recent and proposed laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

49. ***Our business may be adversely affected by adverse application or interpretation of competition laws in India.***

The Competition Act, 2002, of India as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition ("AAEC") in the relevant market in India and has mandated the Competition Commission of India (the "**CCI**") to separate such practices. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial monetary penalties. Furthermore, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area, type of goods or services or number of clients/ customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an AAEC on competition in India. The Competition Act also includes provisions in relation to combinations which require any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, be mandatorily notified to and pre-approved by the CCI. While certain agreements entered into by us could be within the purview of the Competition Act, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

50. ***A slowdown in economic growth in India or political instability could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions

affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities.

The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, have an impact on the growth of the Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns and economic volatility and uncertainty could have a material adverse impact on our business, financial condition, results of operations and prospects.

51. ***Financial difficulty and other problems in certain financial institutions in India could materially adversely affect our business and the price of our Equity Shares.***

We are exposed to the risks of the Indian financial system by being a part of the system. The financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Such "systemic risk" may materially and adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and materially and adversely affect our business. Our transactions with these financial institutions expose us to various risks in the event of default by a counterparty, which can be exacerbated during periods of market illiquidity.

Risks Relating to the Equity Shares

52. ***An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of one year from the date of the issue of the Equity Shares.***

An investor's ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Placement Document. In particular, pursuant to the SEBI ICDR Regulations, for a period of 365 days from the date of the issue of the Equity Shares in this Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to Venture Capital Funds ("**VCFs**") and Alternative Investment Funds ("**AIFs**") in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

53. ***Any future issuance of our Equity Shares or sales of the Equity Shares by our Company may dilute prospective investors' shareholding, and any sale of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity that we issue, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares by us or the disposal of Equity Shares by our major shareholders, may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or encumber their Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

54. ***You may be subject to Indian taxes on capital gains on the sale of our Equity Shares and dividends received from our Equity Shares.***

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of shares held as investments in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gain exceeding ₹ 0.1 million realized on the sale of listed equity shares on a stock exchange held for more than 12 months immediately preceding the date of transfer will be subject to capital gains tax in India at the rate of 10% (plus applicable surcharge and cess) subject to, *inter alia*, payment of STT. Further any capital gains realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are

sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be also subject to long term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess).

Any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares. Additionally, in view of the individual nature of the tax consequences and the changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in this Issue.

The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Any dividends distributed by an Indian company are subject to tax in the hands of the shareholders at applicable rates. Taxes are to be withheld by the Indian company on such dividends at the applicable rate. Our Company may grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends subject to appropriate documentation provided by such non-resident shareholder. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

Further, the Government of India has announced the union budget for the financial year 2025-2026 and has enacted the Finance Act, 2025. While the Finance Act, 2025 does not propose any significant changes to Income-tax Act, 1961. There is no certainty on the impact of the future union budget / new tax bill, which may adversely affect the Company's business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

55. *The market value of the Equity Shares may fluctuate due to the volatility of the Indian securities markets.*

Indian securities markets may be more volatile than and not comparable to, the securities markets in certain countries with more developed economies and capital markets than India. Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges (including the BSE and the NSE) have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including our Equity Shares. In addition, the governing bodies of Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.
The price of our Equity Shares may fluctuate widely and rapidly, depending on many factors, some of which are beyond our control, including:

1. perceived prospects for our business and operations and the industry in which we operate in general;
2. announcements by us of strategic alliances or joint ventures;
3. acquisitions by us or our competitors;
4. announcements made by us or our competitors;
5. differences between our actual financial and operating results and those expected by investors and analysts;
6. change in investors' and analysts' recommendations or perception regarding us and of the investment environment in Asia, including India;
7. our market capitalization not being indicative of the valuation of our business;
8. the depth and liquidity of the market for the Equity Shares;
9. changes in prices of equity securities of foreign (particularly Asian) and emerging markets companies;
10. changes in general economic, social, political or market conditions in India and which generally affect the Indian chemical industry; and
11. broad stock market price fluctuations.

56. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients. In such case, our business, results of

operations, cash flows and financial condition may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

57. *Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.*

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on BSE and NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

58. *If security or industry analysts do not publish research or publish unfavourable research or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.*

The trading market for the Equity Shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts downgrade our Equity Shares or publish inaccurate or unfavourable research about our business, our Equity Shares price may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, demand for our Equity Shares could decrease, which might cause the price and trading volume of our Equity Shares to decline.

59. *Applicants to this Issue are not allowed to withdraw or revise downwards their Bids after the Bid /Issue Closing Date.*

In terms of Regulation 179 (1) of the SEBI ICDR Regulations, applicants in this Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to ten (10) days from the Bid/Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operations and financial condition, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/ Issue Closing Date and the date of Allotment of Equity Shares in this Issue. Occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

60. *Changes in international trade policies, geopolitics and trade tariffs, export controls, economic or trade sanctions may materially and adversely affect our business, financial condition and results of operations.*

Our international operations are exposed to international trade policies, geopolitical tensions and the imposition of tariffs, export controls or economic sanctions, which are inherently unpredictable and beyond our control. In particular, geopolitical tensions and economic sanctions may lead to restrictions on our sales and procurement in certain countries, limiting our access to key markets. Changes in trade or investment agreements could result in bans or limitations on our services, thereby curbing our expansion efforts. In addition, sanctions could strain our relationships with foreign partners and suppliers, adversely affecting our international business. Additionally, heightened tensions may shift consumer preferences in overseas markets, reducing demand for our offerings. In some regions, we may face increased tariffs on our offerings, driving up our prices, undermining our competitiveness and impacting our profit margins.

During the course of February and April 2025, President of the United States of America implemented tariffs on several major trading partners, including India, Canada and the European Union, with a baseline of 10% tariffs on all countries, including India, and an additional individualized reciprocal higher tariff on the countries with which the U.S.A has the largest trade deficits. These tariffs (while currently paused in respect of India), together with countermeasures that have been or may be adopted by trading partners affected by these tariffs are likely to disrupt global trade and increase volatility in financial markets, including stock, currency and interest rate markets. Any negative trends or changes in international trade policies, geopolitics and trade tariffs, export controls, economic or trade sanctions may materially and adversely affect our business, financial condition and results of operations.

61. *Investors may have difficulty enforcing foreign judgments in India against us or our management.*

A majority of our directors and executive officers are residents of India and most of our assets are located in India. As a result, it may not be possible for investors to effect service of process on us or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon civil liabilities on us or such directors and executive officers under laws other than Indian Law.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Code of Civil Procedure, 1908 (the "**Civil Procedue Code**") provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalty.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore, UAE and Hong Kong, among others, have been declared by the Government to be reciprocating territories for the purposes of Section 44 A of the Civil Procedure Code; however, no reciprocity has been established with the United States. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a fresh suit on the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. We cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delay.

MARKET PRICE INFORMATION

As on the date of this Placement Document, 4,95,90,255 Equity Shares have been issued and subscribed, of which 4,95,82,195 Equity Shares are fully paid-up and 8,060 Equity Shares are partly paid-up. The Equity Shares have been listed on the BSE and NSE and are available for trading.

On July 9, 2025, the closing price of the Equity Shares on both BSE and NSE was ₹ 5,110.50 per Equity Share and ₹ 5,110.00 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

A. The following tables set forth the reported high, low and average of the closing prices and the trading volumes of our Equity Shares on the NSE and the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for Fiscals 2025, 2024 and 2023:

NSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in crore)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in crore)	Average price for the year (₹)	Total no. of Equity Shares traded in the fiscal	Total Turnover of Equity Shares traded in the fiscal (₹ in crore)
Fiscal 2025	4,252.45	February 5, 2025	1,74,008	73.80	3,048.45	June 4, 2024	4,54,767	140.08	3,536.26	5,84,03,222	20,917.35
Fiscal 2024	4,850.20	April 28, 2023	1,84,155	88.62	2,924.25	March 13, 2024	3,09,551	91.24	4,002.25	5,20,47,746	20,234.23
Fiscal 2023	4,807.30	September 15, 2022	1,77,118	84.84	3,450.00	June 20, 2022	1,12,930	39.26	4,138.66	4,18,86,285	17,520.08

(Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

BSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded	Average price for the year (₹)	Total no. of Equity Shares traded in the	Total Turnover of Equity Shares traded

				crore)				on date of low (₹ in crore)		fiscal	in the fiscal (₹ in crore)
Fiscal 2025	4,247.05	February 6, 2025	5,601	2.38	3,045.85	June 4, 2024	23,287	7.19	3535.83	19,08,566	677.23
Fiscal 2024	4,848.55	April 28, 2023	4,706	2.27	2,930.20	March 13, 2024	6,612	1.95	4,001.76	23,72,104	934.21
Fiscal 2023	4,808.70	September 15, 2022	7,528	3.60	3,449.65	June 20, 2022	7,013	2.44	4,138.49	20,76,670	876.02

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.

3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

B. The following tables set forth the reported high and low and average of the closing prices and the trading volumes of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months:

NSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in crore)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in crore)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in crore)
June 30, 2025	4,826.80	June 27, 2025	3,89,456	188.21	4,377.30	June 10, 2025	35,925	15.88	4,570.75	32,72,909	1,516.78
May 31, 2025	4,667.50	May 7, 2025	1,77,812	81.67	4,242.10	May 16, 2025	1,17,848	50.36	4,385.30	37,04,783	1,635.46
April 30, 2025	4,521.60	April 30, 2025	1,45,845	65.47	3,848.60	April 8, 2025	2,98,834	115.57	4,225.36	46,50,642	1,078.49
March 31, 2025	4,246.70	March 21, 2025	1,82,555	77.42	3,826.85	March 3, 2025	2,89,860	106.95	4,117.53	24,33,291	995.59
February 28, 2025	4,252.45	February 5, 2025	1,74,008	73.79	3,762.25	February 28, 2025	1,26,348	47.30	4,065.26	42,57,743	1,730.23
January 31, 2025	4,148.70	January 31, 2025	24,87,440	1048.63	3,280.25	January 1, 2025	1,53,236	49.97	3,648.23	1,07,24,423	4,127.01

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.

3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in crore)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in crore)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in crore)
June 30, 2025	4820.60	June 27, 2025	6,596	3.18	4,375.10	June 10, 2025	2,933	1.30	4,820.60	1,33,027	61.33
May 31, 2025	4,674.85	May 7, 2025	4,033	1.86	4,244.40	May 16, 2025	2,809	1.20	4,385.53	1,42,271	63.00
April 30, 2025	4,517.25	April 30, 2025	6,234	2.80	3,840.80	April 8, 2025	7,253	2.80	4,224.94	1,28,624	55.06
March 31, 2025	4,245.75	March 21, 2025	4,765	2.02	3823.85	March 3, 2025	7,935	2.92	4,117.34	89,024	36.50
February 28, 2025	4,247.05	February 6, 2025	5,601	2.38	3,760.70	February 28, 2025	1,942	0.72	4,064.09	90,600	36.89
January 31, 2025	4,147.80	January 31, 2025	86,926	36.72	3,276.40	January 1, 2025	1864	0.61	3,647.18	2,62,277	102.74

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.

3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

C. The following table sets forth the market price on the Stock Exchanges on July 1, 2024, the first working day following the approval of our Board for the Issue:

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹) (crores)	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹) (crores)
3594.85	3652.40	3575.05	3619.75	7,337	26.58	3,604.45	3654.65	3569.05	3621.00	2,66,306	96.63

(Source: www.bseindia.com and www.nseindia.com)

In the event the high or low or closing price of the Equity shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

USE OF PROCEEDS

The Gross Proceeds of the Issue aggregates to ₹ 750.00 crores.

Subject to compliance with applicable laws, the Net Proceeds from the Issue (after deducting fees, commissions, and estimated expenses including GST of the Issue of approximately ₹ 20.00 crores), is approximately ₹ 730.00 crores.

Purpose of the Issue

Subject to compliance with applicable laws and regulations and as approved by the Board, from time to time, we propose to utilise the Net Proceeds for the following objects:

1. Repayment or prepayment, in full or in part, of certain outstanding borrowings (including term loans and working capital facilities) availed by our Company and one of our subsidiaries ("**Navin Fluorine Advanced Sciences Limited**" or "**NFASL**"); and
2. General corporate purposes.

(collectively, referred to hereinafter as the "**Objects**").

Requirements of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

S. No.	Particulars	Amount *(in ₹ crore)*
1.	Repayment or pre-payment, in full or in part, of certain outstanding borrowings (including term loans and working capital facilities) availed by our Company and one of our Subsidiaries, NFASL	562.50
2.	General corporate purposes[(1)]	167.50
Total Net Proceeds		730.00

[(1)] *The amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.*

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clause, as set out in our Memorandum of Association, enable us to undertake our existing business activities for which the borrowings were availed by our Company, and which are proposed to be repaid or prepaid from the Net Proceeds. Further, the main objects clause and objects incidental or ancillary to the attainment of the main objects clause of the memorandum of association of NFASL enables it to undertake the activities for which the borrowings were availed by it and which are proposed to be repaid or prepaid from the Net Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(in ₹ crore)

S. No.	Particulars	Amounts to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds (by March 31, 2026)
1.	Repayment or pre-payment, in full or in part, of certain outstanding borrowings (including term loans and working capital facilities) availed by our Company and one of our Subsidiaries, NFASL	562.50	562.50
2.	General corporate purposes [(1)]	167.50	167.50
	Total Net Proceeds	730.00	730.00

[(1)] *The amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our internal management estimates, prevailing market conditions, operating plans and the growth strategies of our Company and other commercial factors, which are subject to change in the future. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution or any other independent agency. For details, see "***Risk Factors – Our funding requirements and proposed***

deployment of the Net Proceeds from this Issue are based on management estimates and have not been independently appraised" on page 47. We currently propose to deploy the Net Proceeds by March 31, 2026.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management and obtaining necessary approvals/ consents, as applicable, in accordance with applicable law. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws.

In the event that the estimated utilization of the Net Proceeds and Issue related expenses in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity.

Details of Objects

1. **Repayment or pre-payment, in full or in part, of outstanding borrowings (including term loans and working capital facilities) availed by our Company and one of our Subsidiary, NFASL**

   We avail fund-based and non-fund-based facilities in the ordinary course of business from various banks. The borrowing arrangements entered into by our Company and NFASL include, *inter alia*, term loans and working capital facilities. As of June 30, 2025, we had total outstanding borrowings of ₹ 1,491.32 crore, on a consolidated basis.

   We propose to utilise an estimated amount of up to ₹ 562.50 crore from the Net Proceeds towards full or partial repayment/ prepayment, in full or in part, of certain outstanding borrowings (including term loans and working capital facilities) and any interest accrued thereon, availed by our Company and NFASL. The mode of investment into our Subsidiaries from the Net Proceeds in order for them to repay/prepay, full or part of such borrowings shall be in the form of equity or debt or in any other manner as may be mutually decided. The actual mode of such deployment has not been finalized as on the date of this Placement Document and will be finalized at the time of utilization of the funds received from the Net Proceeds.

   Our Company and NFASL have obtained necessary consents, wherever required, from the lenders as per the requirements under the borrowing arrangements for any prepayment / repayment of our loans. Further, pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds. We have and will also take such provisions into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds.

   The repayment and/or pre-payment in part or full of certain borrowings availed by our Company and/or certain of our Subsidiaries by utilizing the Net Proceeds will help reduce our outstanding indebtedness.

Set forth are the loans availed by our Company and NFASL which may be repaid/prepaid, in full or in part, to the extent of up to ₹ 562.50 crore from the Net Proceeds:

Sr. No.	Name of the Lender	Tenure	Nature of loan or facility	Date of agreement	Sanctioned amount (in ₹ crores)	Total outstanding amount as on June 30, 2025, (in ₹ crores)	Repayment schedule	Interest rate (p.a.) (as on June 30, 2025) (%)	Pre-payment penalty	Purpose for which the loan was sanctioned	Whether the loan has been utilized for the purpose for which it has been availed
Company											
1.	Axis Bank Limited	On demand	Working capital	January 25, 2024	20.00	17.18	On demand	9.60%	Nil	Working capital purpose	Yes
2.	HDFC Bank Limited	On demand	Working capital	October 24, 2024	40.00	5.00	On demand	8.75%	Nil	Working capital purpose	Yes
3.	Bank of Baroda	On demand	Working capital	December 17, 2024	20.00	14.60	On demand	9.75%	Nil	Working capital purpose	Yes
Total (A)					**80.00**	**36.78**					
Subsidiary – NFASL											
4.	Axis Bank Limited	On demand	Working capital	February 16, 2024	58.00	50.50	On demand	8.00%	Nil	Working capital purpose	Yes
5.	Citibank	On demand	Working capital	October 3, 2024	100.00	95.00	On demand	7.33%	Nil	Working capital purpose	Yes
6.	Hongkong and Shanghai Banking Corporation Limited	On demand	Working capital	January 30, 2025	65.00	50.00	On demand	7.86%	Nil	Working capital purpose	Yes
7.	HDFC Bank Limited	On demand	Working capital	April 23, 2025	70.50	60.50	On demand	8.00%	Nil	Working capital purpose	Yes
8.	HDFC Bank Limited	6.5 years from the date of first disbursement, comprising the moratorium period of 30 months and repayment	Term Loan	October 10, 2023	155.00	22.14	16 equal quarterly instalments	7.15% p.a. linked to repo rate payable at monthly interval	1. Borrower shall have the option to prepay (in part or in full) subject to (a) payment of prepayment premium at the rate of 1% of the prepaid amount as penalty; and (b)	Project – Anhydrous Hydrogen Fluoride	Yes

Sr. No.	Name of the Lender	Tenure	Nature of loan or facility	Date of agreement	Sanctioned amount (in ₹ crores)	Total outstanding amount as on June 30, 2025, (in ₹ crores)	Repayment schedule	Interest rate (p.a.) (as on June 30, 2025) (%)	Pre-payment penalty	Purpose for which the loan was sanctioned	Whether the loan has been utilized for the purpose for which it has been availed
		period of 48 months							Borrower furnishing at least 15 days' prior written notice to lenders' agent. 2. No prepayment penalty would be payable to lenders if the prepayment is effected: (a) At the instance of lender(s) (b) Out of internal accruals of the borrower with a notice of 7 days; (c) If prepayment is effected within 7 days of the spread reset date after giving at least 7 days prior written notice to lenders. (d) Borrower raising funds through listing exercise or by accessing bond markets and using the proceeds to prepay facility with a notice of 7 days.		

Sr. No.	Name of the Lender	Tenure	Nature of loan or facility	Date of agreement	Sanctioned amount (in ₹ crores)	Total outstanding amount as on June 30, 2025, (in ₹ crores)	Repayment schedule	Interest rate (p.a.) (as on June 30, 2025) (%)	Pre-payment penalty	Purpose for which the loan was sanctioned	Whether the loan has been utilized for the purpose for which it has been availed
9.	Axis Bank Limited	6.5 years including 2 years construction period and 6 months moratorium period thereafter	Term Loan	May 26, 2023	195.00	191.83	In 17 equal quarterly instalments of ₹11.47 crore each, after 30 months (construction period + moratorium period) from the date of disbursement	6.90% p.a. linked to 91 days treasury bill	Nil prepayment charges if the facility is prepaid in full or in part with a notice of 30 days	Project – Anhydrous Hydrogen Fluoride	Yes
10.	Axis Bank Limited	8 years with Nil moratorium period	Term Loan	March 26, 2025	300.00	296.25	Quarterly instalments from the date of first disbursement	8.00% p.a. linked to repo rate payable at monthly interval	The Borrower may prepay the Facility, in full or in part thereof (without any prepayment premium) within 60 days of any increase in spread as aforesaid, subject to the borrower providing an irrevocable written notice of prepayment to Axis Bank within 15 days of such increase in spread. Prepayment in other cases :-	Refinancing existing term loan	Yes

Sr. No.	Name of the Lender	Tenure	Nature of loan or facility	Date of agreement	Sanctioned amount (in ₹ crores)	Total outstanding amount as on June 30, 2025, (in ₹ crores)	Repayment schedule	Interest rate (p.a.) (as on June 30, 2025) (%)	Pre-payment penalty	Purpose for which the loan was sanctioned	Whether the loan has been utilized for the purpose for which it has been availed
									• Nil prepayment if done through own equity • Nil prepayment if done through internal accruals, permitted twice during the year. • For other scenarios, prepayment premium of 1% on the principal amount.		
11.	Axis Bank Limited	8 years with nil moratorium period	Term Loan	May 9, 2025	200.00	197.50	Quarterly instalments from the date of first disbursement	8.75% p.a. linked to repo rate payable at monthly interval	The borrower may prepay the facility, in full or in part thereof (without any prepayment premium) within 60 days of any increase in spread as aforesaid, subject to the Borrower providing an irrevocable written notice of prepayment to Axis Bank within 15 days of such increase in spread. Prepayment in other cases :- • Nil prepayment if	Refinancing existing term loan	Yes

Sr. No.	Name of the Lender	Tenure	Nature of loan or facility	Date of agreement	Sanctioned amount (in ₹ crores)	Total outstanding amount as on June 30, 2025, (in ₹ crores)	Repayment schedule	Interest rate (p.a.) (as on June 30, 2025) (%)	Pre-payment penalty	Purpose for which the loan was sanctioned	Whether the loan has been utilized for the purpose for which it has been availed
									done through own equity • Nil prepayment if done through internal accruals, permitted twice during the year. • For other scenarios, prepayment premium of 1% on the principal amount.		
12.	ICICI Bank Limited	8 years from the date of first disbursement	Term Loan	March 13, 2025	500.00	490.82	Quarterly instalments from the date of first disbursement	8.50% p.a. linked to IMCLR 3 months	The borrower may prepay the facility, in full or in part thereof (without any prepayment premium) within 60 days of any increase in spread as aforesaid, subject to the Borrower providing an irrevocable written notice of prepayment to ICICI Bank within 15 days of such increase in spread. Prepayment in other cases :- • Nil prepayment if	Refinancing existing term loan	Yes

Sr. No.	Name of the Lender	Tenure	Nature of loan or facility	Date of agreement	Sanctioned amount (in ₹ crores)	Total outstanding amount as on June 30, 2025, (in ₹ crores)	Repayment schedule	Interest rate (p.a.) (as on June 30, 2025) (%)	Pre-payment penalty	Purpose for which the loan was sanctioned	Whether the loan has been utilized for the purpose for which it has been availed
									done through own equity • Nil prepayment if done through internal accruals, permitted twice during the year. • For other scenarios, prepayment premium of 1% on the principal amount.		
Total (B)					**1,643.50**	**1,454.54**					
Total (A+B)					**1,723.50**	**1,491.32**					

*****_As certified by N.A. Shah Associates LLP, Chartered Accountants vide their certificate dated July 7, 2025, the loan has been utilised for the purpose for which it has been availed by the Company and NFASL._

Our Company has and will consider the following factors, among others, for identifying the loans that will be repaid out of the Net Proceeds: (i) costs, expenses and charges relating to the facility/borrowing including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) provisions of any law, rules, regulations governing such borrowings; (vi) terms of pre-payment to lenders, if any; (vii) mix of credit facilities provided by lenders; and (viii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

2. General corporate purposes

The Net Proceeds will first be utilized towards the Objects as set out above and in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE. Further, our Company proposes to deploy the balance Net Proceeds, of approximately ₹ 167.50 crore, towards general corporate purposes from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with applicable laws. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, any capital expenditure, working capital requirement, funding growth opportunities, partnerships, tie-ups, joint ventures or acquisitions, meeting ongoing general corporate exigencies of our Company and its subsidiaries including NFASL, investment in its subsidiaries, repairs and maintenance expenses and/or any other general purposes, as may be permissible under applicable laws, including provisions of the Companies Act and as approved by Board/fund raising committee of the Company from time to time. The mode of investment into its subsidiaries including NFASL from the Net Proceeds in order for them to apply the Net Proceeds to the above defined purposes shall be in the form of equity or debt or in any other manner as may be mutually agreed.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds our Company shall deposit such proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or temporarily invest the funds in creditworthy instruments, including money market / mutual funds, as per the investment policy approved by the Board or as may be specifically approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. Further, in accordance with applicable laws, we undertake to not utilize the proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

Monitoring of utilisation of funds

Our Company has appointed CARE Ratings Limited as the monitoring agency in accordance with Regulation 173A of the SEBI ICDR Regulations for monitoring the utilisation of Gross Proceeds as the size of our Issue exceeds ₹1,000 million. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. The report of the Monitoring Agency shall be placed before the Audit Committee on a quarterly basis, upon its receipt, until such time the Net Proceeds have been utilised in full. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI of the SEBI ICDR Regulations. Such report, along with the comments (if any) of the Monitoring Agency shall be submitted to the Stock Exchanges within 45 days from the end of each quarter or such other period as may be specified under applicable law and uploaded on the website of our Company at www.nfil.in.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above or the Objects for which the Net Proceeds were raised, have been achieved. This information will also be published on our website and our Company shall furnish an explanation for the deviations and category-wise variations in its annual report, after placing the same before the Audit Committee.

Other confirmations

The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and / or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws. As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by us, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Neither our Promoters nor our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Net Proceeds. Further, neither our Promoter nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoter, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe to the Issue.

Since the Net Proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoter, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation statement as at March 31, 2025 on a consolidated basis derived from the Financial Statements as at March 31, 2025 and as adjusted for the Issue. This table should be read in conjunction with *"**Risk Factors**"*, "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Statements***" and beginning on pages 38, 88 and 255, respectively:

(*In ₹ crore*)

Particulars	As of March 31, 2025	As adjusted for the Issue
Total Borrowings		
Non-current	1,053.44	1,053.44
Current	387.29	387.29
Total (A)	**1,440.73**	1,440.73
Total Equity		
Equity Share Capital	9.92	10.24
Other Equity	2,616.31	3,345.99
Total (B)	**2,626.23**	3,356.23
Total Capitalisation (A+B)	**4,066.96**	**4,796.96**

Notes:

*(1) For details of changes made in the capital structure post March 31, 2025, see "**Capital Structure**" on page 81.*

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Placement Document is set forth below:

(In ₹, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORIZED SHARE CAPITAL**	
	17,50,00,000 Equity Shares	35,00,00,000
B	**ISSUED AND SUBSCRIBED SHARE CAPITAL BEFORE THE ISSUE**	
	4,95,90,255[(1)] Equity Shares	9,91,80,510
C	**PAID-UP SHARE CAPITAL BEFORE THE ISSUE[(1)]**	
	4,95,82,195 fully paid-up Equity Shares	9,91,64,390
	8,060 partly paid-up Equity Shares	8,060
D	**PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT**	
	Up to 16,02,564 Equity Shares aggregating up to ₹ 750.00 crores[(2)]	32,05,128
E	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	5,11,84,759 fully paid-up Equity Shares	10,23,69,518
	8,060 partly paid-up Equity Shares	8,060
F	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue[(3)]	33,66,60,808.62
	After the Issue[(4)]	7,83,34,55,200.62

(1) *4,95,90,255 Equity Shares have been issued and subscribed, of which 4,95,82,195 Equity Shares are fully paid-up and 8,060 Equity Shares are partly paid-up. Upon the completion of the 'Know Your Client' related compliance, as per SEBI Master Circular bearing reference number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025 ("**SEBI RTA Master Circular**"), read with SEBI Circular dated March 16, 2023 (to the extent not rescinded by the SEBI RTA Master Circular) by the respective shareholders, our Company will make an application for obtaining listing and trading approval for 860 Equity Shares from the Stock Exchanges.*

(2) *The Issue has been authorised by the Board pursuant to a resolution dated June 29, 2024, and by way of a special resolution passed by our Shareholders on August 1, 2024.*

(3) *As on the date of this Placement Document.*

(4) *The securities premium account after the Issue is calculated on the basis of Gross Proceeds from the Issue. Adjustments do not include Issue related expenses.*

Equity share capital history of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment/ buy-back	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Nature of consideration	Reason / Nature of allotment
June 25, 1998*	70	10.00	10.00	70	Cash	Initial subscription to the Memorandum of Association
October 3, 1998	20	10.00	10.00	90	Cash	Further issue
December 11, 2002	49,910	10.00	10.00	50,000	Cash	Rights issue
January 31, 2003	49,99,999[(1)]	10.00	N.A.[(2)]	50,49,999	Other than cash[(2)]	Allotment pursuant to rehabilitation scheme of Mafatlal Industries Limited ("**MIL**")
October 20, 2004	50,49,890[(3)(4)]	10.00	60.00	1,00,99,889	Cash	Rights issue
March 5, 2011	3,38,792	10.00	400.00	97,61,097	Cash	Buy-back
September 24, 2014	8,700	10.00	374.20	97,69,797	Cash	Allotment under ESOS
April 28, 2015	1,600	10.00	374.20	97,71,397	Cash	Allotment under ESOS

Date of allotment/ buy-back	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Nature of consideration	Reason / Nature of allotment
October 14, 2015	4,100	10.00	374.20	97,75,497	Cash	Allotment under ESOS
	4,000	10.00	407.45	97,79,497	Cash	
November 17, 2015	3,800	10.00	374.20	97,83,297	Cash	Allotment under ESOS
November 23, 2015	2,000	10.00	374.20	97,85,297	Cash	Allotment under ESOS
February 15, 2016	2,000	10.00	374.20	97,87,297	Cash	Allotment under ESOS
December 27, 2016	4,000	10.00	407.45	97,91,297	Cash	Allotment under ESOS
May 29, 2017	22,800	10.00	390.00	98,14,097	Cash	Allotment under ESOS
June 14, 2017	28,650	10.00	390.00	98,42,747	Cash	Allotment under ESOS
June 29, 2017	11,100	10.00	390.00	98,53,847	Cash	Allotment under ESOS
Pursuant to a resolution of our Board passed in their meeting held on April 28, 2017 and a resolution of our Shareholders passed in their extraordinary general meeting held on June 29, 2017, each fully paid up equity share of our Company of face value ₹10 was split into 5 Equity Shares of ₹2 each, and accordingly, 98,53,847 equity shares of our Company of ₹10 each were split into 4,92,69,235 Equity Shares of ₹2 each.						
August 8, 2017	29,500	2.00	78.00	4,92,98,735	Cash	Allotment under ESOS
October 26, 2017	43,500	2.00	78.00	4,93,42,235	Cash	Allotment under ESOS
	3,325	2.00	194.80	4,93,45,560	Cash	
March 19, 2018	5,250	2.00	78.00	4,93,50,810	Cash	Allotment under ESOS
May 9, 2018	4,075	2.00	194.80	4,93,54,885	Cash	Allotment under ESOS
August 6, 2018	85,810	2.00	194.80	4,94,40,695	Cash	Allotment under ESOS
October 4, 2018	3,255	2.00	194.80	4,94,43,950	Cash	Allotment under ESOS
November 26, 2018	2,935	2.00	194.80	4,94,46,885	Cash	Allotment under ESOS
January 23, 2019	10,280	2.00	194.80	4,94,57,165	Cash	Allotment under ESOS
June 19, 2019	3,860	2.00	194.80	4,94,61,025	Cash	Allotment under ESOS
August 13, 2019	3,015	2.00	194.80	4,94,64,040	Cash	Allotment under ESOS
November 30, 2019	7,475	2.00	554.40	4,94,71,515	Cash	Allotment under ESOS
January 22, 2020	655	2.00	194.80	4,94,72,170	Cash	Allotment under ESOS
	6,825	2.00	554.40	4,94,78,995	Cash	
March 13, 2020	5,325	2.00	554.40	4,94,84,320	Cash	Allotment under ESOS
September 18, 2020	3,000	2.00	554.40	4,94,87,320	Cash	Allotment under ESOS
	2,000	2.00	194.80	4,94,89,320	Cash	
	5,155	2.00	780.00	4,94,94,475	Cash	
December 16, 2020	525	2.00	554.40	4,94,95,000	Cash	Allotment under ESOS
	1,915	2.00	780.00	4,94,96,915	Cash	
January 28, 2021	2,400	2.00	554.40	4,94,99,315	Cash	Allotment under ESOS
	2,220	2.00	780.00	4,95,01,535	Cash	
February 26, 2021	1,360	2.00	780.00	4,95,02,895	Cash	Allotment under ESOS
February 28, 2021	325	2.00	554.40	4,95,03,220	Cash	Allotment under ESOS
April 17, 2021	2,425	2.00	554.40	4,95,95,645	Cash	Allotment under ESOS
	2,265	2.00	780.00	4,95,07,910	Cash	

Date of allotment/ buy-back	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Cumulative number of equity shares	Nature of consideration	Reason / Nature of allotment
July 2, 2021	4,195	2.00	780.00	4,95,12,105	Cash	Allotment under ESOS
July 3, 2021	3,135	2.00	194.80	4,95,15,240	Cash	Allotment under ESOS
	925	2.00	554.40	4,95,16,165	Cash	
September 4, 2021	4,950	2.00	554.40	4,95,21,115	Cash	Allotment under ESOS
	9,520	2.00	780.00	4,95,30,635	Cash	
	725	2.00	770.35	4,95,31,360	Cash	
October 22, 2021	1,150	2.00	554.40	4,95,32,510	Cash	Allotment under ESOS
	1,785	2.00	780.00	4,95,34,295	Cash	
November 30, 2021	625	2.00	554.40	4,95,34,920	Cash	Allotment under ESOS
	8,125	2.00	194.80	4,95,43,045	Cash	
	2,025	2.00	780.00	4,95,45,070	Cash	
January 18, 2022	300	2.00	554.40	4,95,45,370	Cash	Allotment under ESOS
	870	2.00	780.00	4,95,46,240	Cash	
March 4, 2022	750	2.00	554.40	4,95,46,990	Cash	Allotment under ESOS
	4,790	2.00	194.80	4,95,51,780	Cash	
	1,370	2.00	780.00	4,95,53,150	Cash	
June 2, 2022	250	2.00	554.40	4,95,53,400	Cash	Allotment under ESOS
	565	2.00	780.00	4,95,53,965	Cash	
August 3, 2022	1,390	2.00	780.00	4,95,55,355	Cash	Allotment under ESOS
December 7, 2022	700	2.00	194.80	4,95,56,055	Cash	Allotment under ESOS
	345	2.00	780.00	4,95,56,400	Cash	
January 7, 2023	14,315	2.00	698.45	4,95,70,715	Cash	Allotment under ESOS
March 24, 2023	175	2.00	194.80	4,95,70,890	Cash	Allotment under ESOS
	280	2.00	780.00	4,95,71,170	Cash	
May 30, 2023	470	2.00	194.80	4,95,71,640	Cash	Allotment under ESOS
October 4, 2023	895	2.00	194.80	4,95,72,535	Cash	Allotment under ESOS
January 5, 2024	225	2.00	554.40	4,95,72,760	Cash	Allotment under ESOS
March 21, 2024	640	2.00	780.00	4,95,73,400	Cash	Allotment under ESOS
May 7, 2024	10,000	2.00	2.00	4,95,83,400	Cash	Allotment under ESOS
September 12, 2024	895	2.00	780.00	4,95,84,295	Cash	Allotment under ESOS
	225	2.00	780.00	4,95,84,520	Cash	Allotment under ESOS
	5,000	2.00	2.00	4,95,89,520	Cash	Allotment under ESOS
December 17, 2024	380	2.00	780.00	4,95,89,900	Cash	Allotment under ESOS
	125	2.00	554.40	4,95,90,025	Cash	Allotment under ESOS
	100	2.00	780.00	4,95,90,125	Cash	Allotment under ESOS
May 9, 2025	130	2.00	780.00	4,95,90,255	Cash	Allotment under ESOS

**While the date of incorporation of our Company is June 25, 1998, the Board of our Company took note of the subscription to the Memorandum of Association in its meeting dated July 14, 1998.*

(1) Pursuant to the rehabilitation scheme of MIL, 49,99,999 equity shares (of face value of ₹10 each) of the Company was allotted to the members holding equity shares in MIL as on January 31, 2003 in the ratio 1:1.

(2) Consideration for de-merger of the chemical business of the MIL, pursuant to the rehabilitation scheme of MIL.

*(3) As on the date of this Placement Document, out of 50,49,890 equity shares allotted on October 20, 2004, 8,060 equity shares are partly paid-up equity shares. Upon the completion of the 'Know Your Client' related compliance, as per SEBI Master Circular bearing reference number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025 ("**SEBI RTA Master Circular**"), read with SEBI Circular*

dated March 16, 2023 (to the extent not rescinded by the SEBI RTA Master Circular) by the respective shareholders, our Company will make an application for obtaining listing and trading approval for 860 Equity Shares from the Stock Exchanges.

(4) Out of the rights issue made on October 20, 2004, 109 equity shares could not be offered on rights basis due to the non-availability of details of beneficial holders from depositories. The same are kept in abeyance.

Preference Shares

As on date of this Placement Document, our Company does not have any outstanding preference shares.

Employees' Stock Option Scheme 2007 (ESOS 2007)

ESOS 2007 was approved pursuant to the resolution dated May 1, 2007 passed by our Board, and special resolution dated July 20, 2007 passed by the Shareholders of our Company. Under ESOS 2007, the stock options may be issued to employees, including whole time Director(s) employed in full-time employment by the Company, or its holding company or Subsidiaries, but excluding the Promoters or persons belonging to the Promoter Group of our Company to the extent maximum of 5% of issued and subscribed equity share capital of our Company from time to time. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the NRC Committee in accordance with the provisions of the ESOS 2007, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2007 shall be capable of being exercisable on vesting within 10 years from grant date.

Employees' Stock Option Scheme 2017 (ESOS 2017)

ESOS 2017 was approved pursuant to the resolution dated April 28, 2017, passed by our Board, and special resolution dated June 29, 2017 passed by the Shareholders of our Company. Under ESOS 2017, the stock options may be issued to permanent employee of the Company working in India or outside India and directors, including whole time Director(s) but excluding (i) the Promoters or persons belonging to the Promoter Group of our Company and our Subsidiaries; (ii) a director who, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company or (iii) an independent director, to the extent maximum of 5% of the total issued and paid-up share capital of the Company. Further, no eligible employee or director, including whole-time director shall be entitled to options either in a single grant or in the aggregate in excess of 1% of the issued share capital. Each option is exercisable into one fully paid-up Equity Shares of our Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the NRC Committee in accordance with the provisions of the ESOS 2017, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2017 shall be capable of being exercisable on vesting within 10 years from grant date.

The following table sets forth details in respect of the ESOS Schemes as on the date of this Placement Document:

Particulars	ESOS 2007	ESOS 2017
Maximum number of options which may be granted under the scheme	25,24,500	24,62,734
Total number of options granted (A)	7,90,690	5,06,370
Options exercised (B)	7,17,100	67,670
Options lapsed or forfeited (C)	71,890	2,02,220
Total number of options outstanding (D = A – B – C)	1,700	2,36,480

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of the post Issue Equity Share capital that may be held by them, please, see "***Details of Proposed Allottees***" on page 492.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company as on March 31, 2025 is set forth below:

S. No.	Category	Pre-Issue (as on March 31, 2025)[#]		Post-Issue*	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
1.	**Promoters' holding^**				
1.	Indian				
	Individuals/ Hindu undivided Family	9,39,200	1.89	7,29,200	1.42
	Bodies corporate	1,30,41,249	26.30	1,30,41,249	25.47
	Trusts	1,21,275	0.24	1,21,275	0.24
	Sub-total	**1,41,01,724**	**28.44**	**1,38,91,724**	**27.14**
2.	Foreign promoters (including GDRs)	-	-	-	-
	Sub-total (A)	**1,41,01,724**	**28.44**	**1,38,91,724**	**27.14**
2.	**Non-Promoters' holding**				
1.	Institutional investors	1,48,96,628	30.04	1,52,68,339	29.82
2.	Non-institutional investors (including GDRs)				
	Bodies corporate	5,63,019	1.14	6,12,745	1.20
	Directors and relatives (excluding independent directors and nominee directors)	50,275	0.10	50,775	0.10
	Key Managerial Personnel	13,800	0.03	13,800	0.03
	Investor Education and Protection Fund (IEPF)	**5,93,403**	**1.20**	5,92,213	1.16
	Indian public (Resident Individuals)	84,12,667	16.96	85,35,474	16.67
	Others including non-resident Indians (NRIs)	1,09,58,609	22.09	1,22,27,749	23.89
	Sub-total (B)	**3,54,88,401**	**71.56**	**3,73,01,095**	**72.86**
	Grand Total (A+B)	**4,95,90,125**	**100.00**	**5,11,92,819**	**100.00**

[#] *This shareholding data is based on the beneficiary position data of our Company as of March 31, 2025.*

^ *This includes shareholding of the members of the Promoter Group.*

***** *The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category on basis of the Allocation made in the Issue, and reflects the shareholding of all other categories as on July 8, 2025.*

Other confirmations

Our Equity Shares have been listed for a period of at least one year prior to the date of issuance of notice to Shareholders dated June 29, 2024, for approval of this Issue, except 8,920 shares which were partly paid-up.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the completion of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on recognised stock exchanges in India.

The Promoters, members of the Promoter Group, the Directors and the Key Managerial Personnel of our Company do not intend to participate in the Issue.

Except as disclosed above in "***-Equity share capital history of our Company***" on page 81, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

No change in control in our Company will occur consequent to the Issue.

Except as stated above in "***-Equity share capital history of our Company***" on page 81, our Company has not made any allotment of Equity Shares or preference shares, including for consideration other than cash, in the one

year immediately preceding the date of filing of this Placement Document.

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act, 2013 and the Articles of Association. The Board has, on October 24, 2016, approved and adopted a formal dividend distribution policy in accordance with Regulation 43A of the SEBI Listing Regulations, which was subsequently amended on June 16, 2020. For further information, see "***Description of the Equity Shares***" on page 239.

The details of dividend paid by our Company on the Equity Shares during Fiscals 2025, 2024 and 2023 are set out in the following table:

Particulars	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
Number of Equity Shares	4,95,90,125	4,95,71,640	4,95,71,640
Dividend per Equity Shares (in ₹)	12	15	12
Face value of Equity Shares (in ₹)	2	2	2
% of dividend	600%	750%	600%
Interim Dividend (in ₹ crore)	24.79	24.78	24.78
Special Dividend (in ₹ crore)	-	14.87	-
Final Dividend Payout (in ₹ crore)	34.71	34.70	34.70
Amount of dividend (in ₹ crore)	59.50	74.35	59.48

Notes:

1. Out of the total dividend paid out by our Company, ₹3.90 crores is the unpaid dividend amount as on March 31, 2025.

Our Company has not declared any dividend from April 1, 2025 till the date of this Placement Document. However, our Board has recommended declaration of divided pursuant to its resolution dated May 9, 2025 and this is subject to approval of shareholders in the ensuing annual general meeting.

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or the dividend amounts which may be declared by our Company, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not decrease in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, operating cash flow of our Company, profit earned during the year, profit available for distribution, accumulated profits, free reserves, working capital requirement, capital expenditure requirement, business expansion and growth, additional investment in subsidiaries and joint venture of our Company, economic environment, changes in governmental policies, regulatory changes and capital markets.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted. The Equity Shares issued pursuant to this Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by our Company.

Also see "***Risk Factors – Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements*** " and "***Taxation***" on pages 58 and 242, respectively.

Bidders are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares issued in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our financial statements included in this Placement Document. Unless the context otherwise requires, the financial information for the Fiscals 2023, 2024 and 2025 included herein is derived from the *Financial Statements respectively included in this Placement Document. Our audited consolidated financial statements prepared under Ind AS differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. Accordingly, the degree to which our Audited Consolidated Financial will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "**Forward Looking Statements**" and "**Risk Factors**" on pages 16 and 38, respectively.*

Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year.

*Unless stated otherwise, statistical information, industry and market data used in this section has been derived from the industry report titled "*Independent Market Report for Navin Fluorine International Limited" *dated July 4, 2025, (the "**F&S Report**") which is a report exclusively commissioned and paid for by our Company and prepared by F&S pursuant to an engagement letter dated April 10, 2025 in connection with the Issue.*

OVERVIEW

We are the flagship company of the Padmanabh Mafatlal Group, and have over 50 years of expertise in handling fluorine and complex fluorine chemistry. We operate one of the largest fluorination facilities in India and are one of India's largest manufacturers of anhydrous hydrofluoric acid ("**AHF**") and diluted hydrofluoric acid and one of the world's largest manufacturers of BF3 (boron trifluoride) gas. (*Source: F&S Report*). We are also one of India's largest manufacturers of inorganic fluorides such as ammonium bi-fluoride, potassium fluoride and sodium fluoride and have a significant market share in each of these products (*Source: F&S Report*). We are the first Indian company to produce the R22 (chlorodifluoromethane) gas. (*Source: F&S Report*). We are the only company is India to manufacture hydro-fluoro-olefins, the new age refrigerants and SF4 (sulfur tetrafluoride) (*Source: F&S Report*). Over the years our capability and experience has been built to handle production and supply of fluorine based products efficiently and seamlessly (*Source: F&S Report*).

Over the past five decades, we have transitioned from being focussed on high volume commodity business to margin accretive businesses. From being pioneers in the refrigerant space, we have moved up the fluorine value chain by entering high margin and specialised businesses such as Specialty Chemicals and CDMO. We have established relationships with various marquee customers including global pharmaceutical and crop science majors, spread across North America, Europe, Middle East Asia and the Asia Pacific regions. Further, in Fiscal 2026, we have entered into an agreement with an American chemical company to manufacture and establish initial capacity of a innovative two phase immersion cooling fluid, a proprietary product of the American chemical company at our Surat unit.

We produce highly specialised fluorinated and non-fluorinated products across our business verticals i.e. specialty chemicals ("**Specialty Chemicals**"), contract development and manufacturing organization ("**CDMO**") and high performance products ("**HPP**") which find application in products segments such as life sciences, air conditioning, crop sciences, construction materials etc. catering to several global players. Under our Speciality Chemicals business, we produce *inter alia*, industrial gases, pharma and crop science intermediates for Indian as well as global majors. As part of our CDMO business, we manufacture pharma intermediates, which find application in early as well as late stage molecules and we also carry out research catering to global companies. Further, as part of our HPP business, we produce refrigerant gases (such as HCFC, HFC), HFO and inorganic fluorides, which find application in *inter-alia* air conditioning, pharma and construction markets.

Our three Indian manufacturing units are strategically located at Surat and Dahej (Gujarat, India), Dewas (Madhya Pradesh, India) in close proximity to multi modal logistical options that enhance access to vendors and customers and we also have a manufacturing facility at Runcorn (Cheshire, United Kingdom) where our product capacity is

minimal in comparison to the Indian manufacturing facilities. The installed capacity of manufacturing facilities at Surat, Dahej and Dewas stood at 93,000 metric tonnes, 25,400 metric tonnes and 77,800 kilolitres respectively in Fiscal 2025. Our Surat unit is India's first integrated fluorochemicals complex and houses Specialty Chemicals and HPP business operations (*Source: F&S Report*). Our CDMO operations are carried out of our Dewas manufacturing unit, which is India's only plant with high pressure fluorination capabilities with cGMP compliance (*Source: F&S Report*) Our manufacturing units at Dahej and Surat are certified for ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015. We have invested ₹ 2,051 crore in capital expenditure over the last three financial years towards capacity addition across all the verticals and de-bottlenecking our manufacturing capacities. We expect our sustained investment in our manufacturing capabilities to help us deliver on our 3-Ps strategy of new products, platforms and partnerships.

We have adopted an integrated business model covering sourcing of raw materials, in house R&D, fluorination and manufacturing.

Our sourcing of raw materials is well diversified. We have added over 1,000 vendor partners in the last financial year alone allowing us to compete effectively with global players. We have alternate vendors for critical raw materials and are not dependent on any single vendor for supply of critical raw material. The most critical raw material for our business operations is Fluorspar and our facility at Dahej is well-equipped to handle and process Fluorspar from different sources and geographical locations. We believe this is an essential capability and it sets us apart from several of our competitors. We also have three R&D facilities in, Surat (Gujarat, India), Dewas (Madhya Pradesh, India) and Runcorn (Cheshire, United Kingdom).

The global chemicals market was valued at around USD 5,610 billion in 2024 and is expected to grow at 4.4% CAGR, reaching USD 6,980 billion by 2029 *(Source: F&S Report).* Going forward the Asia-Pacific region is anticipated to grow at the fastest rate during the forecast period of Fiscal 2024 – 2029 *(Source: F&S Report)*. Fluorochemicals are chemicals containing fluorine as an element are one of the most critical classes of chemicals that are used across applications. Fluoropolymers are widely used across the automotive, aircraft, semiconductor, and household appliances *(Source: F&S Report)*. Our specialisation in synthesis of fluorination and continued infrastructure development enable us to tap into the favourable momentum within the Indian chemical industry. While we have the capabilities to produce diverse chemistries, we continue to focus on fluorination. We have entered into long term contracts with key global life science and crop science innovators for the production of different specialised fluorinated and non-fluorinated products which helps us achieve more predictable and sustained revenues. We are also working closely with some of the leading innovators in the pharma industry. Our Company has also placed focus on the Montreal Pact ensuring development of products in the most environmentally friendly way especially in the HPP segment by manufacturing environment friendly HFOs and gases like R32.

Our revenue from operations has increased at a CAGR of 6.34% from ₹ 2,077.40 crore in Fiscal 2023 to ₹ 2,349.38 crore in Fiscal 2025.

Other Accounting Ratios

The other accounting ratios and other data derived from our Financial Statements are given below:

(in ₹ crore, except ratios)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations	2,349.38	2,065.01	2,077.40
Revenue from operations growth Y-o-Y (in %)	13.77%	(0.60)%	42.94%
Business Vertical (Revenue)			
a. HPP	1206.14	955.02	886.09
(HPP as a % of revenue from operations)	51.34%	46.25%	42.65%
b. Specialty Chemicals	800.42	847.97	743.07
(Specialty Chemicals as a % of revenue from operations)	34.07%	41.06%	35.77%
c. CDMO	342.82	262.02	448.24
(CDMO as a % of revenue from operations)	14.59%	12.69%	21.58%
Operating EBITDA[1]	533.72	398.28	550.31

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Operating EBITDA margin (%)[2]	22.72%	19.29%	26.49%
Total profit for the year	288.58	270.50	375.18
PAT Margin[3]	12.06%	12.75%	17.75%
Return on Capital Employed (%) ("ROCE")[4]	11.06%	9.45%	17.06%
Return on Equity (%) ("ROE")[5]	11.52%	11.84%	18.62%
Net Debt / Total equity Ratio[6]	0.37	0.37	0.37
Working capital days[7]	90	103	138

1. Operating EBITDA = Profit before tax + Finance costs + Depreciation and amortisation expense – Exceptional items - Other income. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90

2. Operating EBITDA margin (%) = Operating EBITDA / Revenue from operation. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90

3. PAT Margin = Total profit for the year / total income

4. ROCE = Profit before exceptional items and tax add finance cost divided by capital employed. Capital employed is the sum of total equity, deferred tax liability, current and non current borrowings.

5. ROE = Total profit for the year divided by average total equity. Average total equity is calculated as simple average of total equity as of the last day of relevant fiscal and total equity as of the last day of the preceding fiscal.

6. Net Debt / Total equity ratio = Net debt divided by total equity for relevant fiscal. Net debt is calculated as sum of current borrowings, non current borrowings, current lease liabilities and non current lease liabilities less current investment and cash and cash equivalents. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

7. Working capital days = Working capital / Revenue from operations X 365 where working capital is Inventories + Trade receivable - trade payable. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

Non-GAAP Measures

Operating EBITDA, operating EBITDA margin, net debt to equity ratio, working capital days ("**Non-GAAP Measures**"), presented in this Placement Document have been included as supplemental disclosure because we believe they are useful indicators of our operating performance and our unit economics. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance and because such measures are frequently used by security analysts, investors and others to evaluate the operational performance of companies in our industry, many of which provide such Non-GAAP Measures.

These Non-GAAP Measures are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure.

Please also see, "***Risk Factors - Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition***" on page 60.

Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures

Operating EBITDA and Operating EBITDA margins

The following table sets forth our operating earnings before finance cost, taxes depreciation and amortisation expenses (also includes exceptional items and other income) (Operating EBITDA) from our profit before tax, and the manner in which it is calculated for the Fiscal 2025, Fiscal 2024 and Fiscal 2023. We define our Operating EBITDA margin as Operating EBITDA divided by revenue from operations

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit before tax (A)	380.09	335.54	495.88

Add: Finance costs (B)	77.93	74.56	27.52
Add: Depreciation and amortisation expense (C)	119.43	96.16	62.64
Less: Exceptional item (D)	-	52.13	-
Less: Other Income (E)	43.73	55.85	35.73
Operating EBITDA (F=A+B+C-D-E)	533.72	398.28	550.31
Operating EBITDA Margin[1] (Operating EBITDA as a percentage of revenue from operations)	22.72%	19.29%	26.49%

1. Operating EBITDA margin (%) = Operating EBITDA / Revenue from operation.

Net Debt/Total Equity

Net debt is calculated by reducing the current investments and cash & cash equivalents from the current borrowings, non-current borrowings, current lease liabilities and non-current lease liabilities . Net debt is then divided by total equity to arrive at Net Debt/Total Equity.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Non Current Borrowing (A)	1,053.44	1,022.86	753.13
Non Current Lease Liabilities (B)	13.19	17.30	6.42
Current Borrowing (C)	387.29	317.08	95.52
Current Lease Liabilities (D)	12.47	11.22	5.73
Gross Debt (E = A+B+C+D)	**1,466.39**	**1,368.46**	**860.80**
Less: Current Investment (F)	471.80	486.03	31.11
Less: Cash & Cash equivalent (G)	19.68	6.64	14.47
Net Debt (H = E-F-G)	**974.91**	**875.79**	**815.22**
Total Equity (I)	2,626.23	2,382.67	2,184.95
Net Debt/ Total Equity Ratio (J = H/I))	**0.37**	**0.37**	**0.37**

Working Capital Days

Working capital is calculated as sum of inventory and trade receivable after offsetting trade payable. To arrive at working capital days, Working capital is divided by last 12 month sales and multiplied by 365 days.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Inventories (A)	322.42	371.65	468.12
Trade receivables (B)	582.42	512.51	561.52
Trade Payables (C)	326.96	302.50	243.48
Total outstanding dues of micro enterprises and small enterprises	44.68	44.13	40.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	282.28	258.37	202.85
Working Capital (A+B-C)	**577.88**	**581.66**	**786.16**
Working Capital Days	89.78	102.81	138.13

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review and may continue to affect our results of operations and financial condition in the future.

Any shutdown, slow-down or under-utilization of some or all of our manufacturing facility

While our Company operates four manufacturing units strategically located at Surat and Dahej (Gujarat, India) (collectively, "**Gujarat Facilities**"), Dewas (Madhya Pradesh, India) and Runcorn (Cheshire, United Kingdom), a significant proportion of our revenue is attributable to the operations of our Gujarat Facilities. Any disruption or shutdown of operations at Gujarat Facilities, whether due to natural disasters, fire, equipment failure, labour disputes, regulatory issues, or any other unforeseen circumstances, could severely impact our ability to manufacture and supply products in a timely manner. Furthermore, our dependence on Gujarat Facilities could lead to increased transportation costs and delivery delays, especially for customers located far from Gujarat Facilities. Further, under-utilisation of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance. In particular, the level of our capacity utilization can impact our operating results. High capacity utilization allows us to spread our fixed costs, resulting in higher EBITDA Margin. Our product mix also affects capacity utilization of our manufacturing facilities, and the demand and supply balance and the average selling prices of our products, would in turn affect our gross profit margin. For further information, see "***Risk Factors –We are significantly dependent on our manufacturing facility located in Surat and Dahej in Gujarat, that contributed to ₹ 2,006.56 crore, ₹ 1,802.99 crore, and ₹1,629.16 crore accounting for 85.41%, 87.31% and 78.42% of our revenue from operations in Fiscal 2025, fiscal 2024, and Fiscal 2023 respectively. Any developments affecting this facility could have an adverse effect on our business, results of operations, financial condition and cash flows***" and *"**Risk Factors – Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance**"* on pages 38 and 41.

Relationship with key customers

While we catered to over 900 customers as of March 31, 2025, reliance on certain key customers for significant revenue may generally involve several risks. While we have established and will continue to focus on strengthening our long-standing relationships with well-known customers across the industries that we cater to, any failure to retain such customers or negotiate and execute contracts on terms that are commercially viable with these key customers, could adversely affect our business, financial condition, and results of operations. In addition, any defaults or delays in payments or the insolvency or financial distress by such key customers may have an adverse effect on our business, financial condition, and results of operations. Further, any cancellation of orders by our key customers, delay or reduction in their orders or instances where anticipated orders fail to materialise can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. For further information, see *"**Risk Factors – We derive a significant part of our revenue (43.94% of our revenue from operations in Fiscal 2025) from our top five customers. Loss of any of these customers or a reduction in purchases by any of them could adversely affect our business, financial condition and results of operations**"* on page 41.

Supply of raw materials

Raw materials are subject to supply disruptions and price volatility caused by various factors, such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. While we have contracts with some of our third-party suppliers of our raw materials and we generally have more than one supplier for our raw materials, our supplier may be unable to provide us with sufficient quantities of raw materials, at prices acceptable to us, for us to meet the demand of our service offerings. Further, in the event that any of our suppliers discontinue their operations, our ability to procure our raw materials at competitive prices may be adversely affected. In addition, we may also not be able to identify alternate suppliers for raw materials or source the raw materials at favourable terms in a timely manner, in the event that our import of certain raw materials from other jurisdictions are restricted by increasingly stringent regulatory standards.

Any increase in the cost of our raw materials due to factors such as inflation, may result in corresponding increase in our cost of services. While we are exposed to fluctuations in the prices of raw materials for the products that we manufacture, our contractual arrangements for procurement of raw materials are typically based on a transparent system wherein the prices are guided by economic factors in the open market. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver products to customers in an efficient,

reliable and timely manner and could also lead to the shut-down of our operations or the under-utilization of our facilities, which in turn may have an adverse effect on our business, cash flows, results of operations and financial condition. See "***Risk Factors – Any shortfall, delay, interruption or reduction in the supply of our raw materials or an increase in our transportation costs, raw material costs or other input costs, may adversely affect the pricing and supply of our services and products that we manufacture, thereby adversely affecting our business, results of operations, financial condition and cash flows***" on page 44.

Research and development

We have invested substantial effort, funds and other resources towards our research and development activities and have set-up a dedicated in-house research and development facility in Surat (Gujarat), Dewas (Madhya Pradesh) and Manchester (United Kingdom). We have also invested in strengthening our key technology platforms and multi-purpose plants, which we believe, has enabled us become a one stop fluorine chemistry solution provider. During the Fiscals 2025, 2024 and 2023, our capital expenditures on research and development, were ₹ 4.82 crores, ₹ 80.10 crores and ₹ 5.65 crores respectively, representing 0.21%, 3.88%, and 0.27% respectively, of our revenue from operations, in such years. Our increase on research and development expenditure in Fiscal 2024 was primarily attributable to setting up of a new R&D facility in Surat. However, our ongoing investments in research and development for new products and processes may result in higher costs without a proportionate increase in revenues. Delays in any part of the process, our inability to obtain necessary regulatory approvals for our products or failure of a product to be successful at any stage could adversely affect our business. Consequently, any failure on our part to successfully introduce new products and processes may have an adverse effect on our business, results of operations and financial condition. We are also subject to the risks generally associated with new process technologies and product introductions, including lack of market acceptance, delays in product development and failure of products to operate properly which may lead to increased warranty claims. If we are unable to continuously develop new products or optimise our processes, our ability to grow and/or compete effectively, might be compromised, which would have an adverse impact our business and financial condition. See, "***Risk Factors – Our manufacturing units and R&D centres are concentrated in Gujarat, India. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Gujarat may have an adverse effect on our business, results of operations and financial condition***" on page 40.

Further, our business is dependent upon our ability to manage our R&D operations, which are subject to various operating risks. Any disruptions in our R&D and manufacturing operations could delay production or cause us to temporarily or permanently cease our R&D activities, leading to adverse effect on our business, financial condition, results of operations and future prospects. See, "***Risk Factors – Our manufacturing units and R&D centres are concentrated in Gujarat, India. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Gujarat may have an adverse effect on our business, results of operations and financial condition***" on page 40.

Governmental regulations and policies

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in the countries in which we operate, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Regulatory and policy changes effected by the Government of India, including but not limited to: (a) the implementation of the commitments made under the Kigali Amendment to the Montreal Protocol; (b) the new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019; and (c) amendments to taxation laws and customs duty rate on drugs, medicines, diagnostic kits or equipment and bulk drugs used in the manufacture of drugs and specified goods for use in the pharmaceutical and bio-technology sectors imported for R&D use, may have an adverse effect on our future business, prospects, financial condition, cash flows, and results of operations. See, "***Risk Factors – Changing laws, rules and regulations and legal uncertainties, including adverse***

application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations" on page 60.

General economic conditions

Our products find diverse uses in varied application industries, including agrochemicals, pharmaceuticals and refrigeration industries. A significant part of our revenue is generated from sale of our products to these application industries and, consequently, the demand for our products is dependent on and directly affected by factors affecting these industries. Our business is significantly dependent on sale of a few kinds of specialty chemicals, and in particular on sale of hydro flouro-olefins, refrigerant gases (including R22 and R32 gases), key agro and pharma intermediate, respectively, to our total revenue from our operations. These chemicals are sold for use in a range of end-use industries, including by various speciality chemicals and pharmaceuticals manufacturers, across wide range of applications. Accordingly, any downturn in any of the aforementioned key application industries that we service, as a result of increased competition, regulatory action, patent litigation, pricing fluctuation or outbreak of an infectious disease like COVID-19 may impact us. The lack of demand from any one of these industries can be off-set by sales to other industries in which our products find application or by successfully introducing new products or services in these industries. Accordingly, any significant downturn in the application industries including cases where sales to our customers substantially decrease there could be a significant impact on our financial condition and growth prospects. See, "***Risk Factors – A significant portion of our revenue (83.29% of our revenue from operations in Fiscal 2025) is derived from application industries. Any adverse changes or downturn in the application industries could have an adverse impact on our Company's business and results of operations***" on page 39.

Further, a significant portion of our revenue is generated from the sale of exports across United States and Europe constituting more than 75.00% of our total export in Fiscal 2025. Any developments in the global specialty chemical industry or the industries in which our customers operate could have an impact on our sales from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the United States, United Kingdom, Europe and Middle East, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have an adverse effect on our results of operations and financial condition.

Foreign currency fluctuations

We have material exposure to foreign exchange related risks since a substantial portion of our revenue from operations are in foreign currency, including the US Dollar, GBP, and the Euro. Similarly, a portion of our expenses, including cost of any imported raw material and other operating expenses as well as certain of our capital expenditure on equipment imported are denominated in currencies other than Indian Rupees. The exchange rate between the Indian Rupee and foreign currencies, primarily the US Dollar, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. Additionally, we have earned net gains due to these fluctuations in foreign currency in Fiscal 2025, Fiscal 2024 and Fiscal 2023 of ₹ 0.30 crores, ₹ 1.13 crores, and ₹ 2.84 crores, respectively. These gains and losses were related to instances where the market exchange rate at the time of transaction was in our favour or against us as compared to the rates we had applied when the transactions were accounted or hedged.

MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted by the Company and its Subsidiaries (the "**Group**") in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Consolidated Financial Statements are for the group consisting of the Company, subsidiaries and step-down subsidiary companies.

a) Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the following:

• certain financial assets and liabilities (including derivative instruments) and contingent consideration are measured at fair value.
• defined benefit plans – plan assets are measured at fair value.
• share-based payments are measured at fair value.

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease liability in sale and leaseback – amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

b) Principles of consolidation and equity accounting

(i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the consolidated statement of profit and loss, Consolidated Statement of changes in equity and Consolidated balance sheet respectively.

(ii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in Joint Ventures.

Interest in joint venture company are accounted for using the equity method of accounting see (iii) below, after initially being recognised at cost in the Consolidated Financial Statements.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate and joint venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 58 (h).

(iv) Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss where appropriate.

c) Revenue recognition

(i) Sale of Goods

Revenue is generated primarily from sale of chemicals. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of lading as per the terms of contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

(ii) Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration)

allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

(iii) Contract liability

A contract liability is the obligation to transfer goods / render services to the customer for which the Group has received consideration from the customer. Contract liabilities are recognized as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods / rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(iv) Export Incentives

Export incentives are recognised for based on the eligibility and when there is no uncertainty in receiving the same.

d) Leases

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

See note 58(d) for the other accounting policies relevant to Leases.

e) Income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax liabilities are not recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations

Leave obligation:

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the consolidated statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

Defined benefit plan

Gratuity Obligations:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The present value of the defined benefit obligation is determined by discounting the estimated future cash

flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the Consolidated Statement of Changes in Equity in the balance sheet.

Provident fund liability:

The Group contributes towards family pension fund, superannuation fund and provident fund for certain employees which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Provident Fund for certain employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognized by the Income Tax authorities where other entities are also the participant. Periodic contributions to the Fund are charged to the consolidated statement of profit and loss and when services are rendered by the employees. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

g) Employee share-based payment arrangements

Eligible employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to eligible employees is recognised as ‘employee benefit expenses’ with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an ndependent valuer basis Black Scholes model. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this pricing model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

h) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less deprecation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment which are not ready for the intended use on the date of the balance sheet are disclosed as “Capital work-in-progress”.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the Contract Development and Manufacturing

Organisation (CDMO) assets mentioned in table below, where useful life is different than those prescribed in Schedule II. The estimated useful life of the CDMO assets, mentioned in table below, has been assessed based on external technical evaluation which considered the nature of the assets, estimated usage of the assets, the operating condition of the assets, anticipated technological changes, manufacturer warranties, experience of the management and group companies, maintenance support, etc:

Assets	Useful Life
Plant and Machinery	5-30 years
Building	50 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

See note 58(e) for the other accounting policies relevant to property, plant and equipment.

i) Intangible assets

Goodwill

Goodwill on acquisitions of subsidiary companies is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of Goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

See note 58(f) for the other accounting policies relevant to intangible assets.

j) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable, borrowing costs.

Investment properties are depreciated using straight line method over their useful lives specified in Schedule II to the Companies Act, 2013.

See note 58(g) for the other accounting policies relevant to Investment properties.

k) Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on weighted average basis. Cost includes all charges in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

l) Cash and Cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts

of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

p) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

q) Provisions and contingencies

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past

events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

r) Investment in associate and joint ventures

Investments in associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated statement of profit and loss.

s) Investment and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the consolidated statement of profit and loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit and loss or other comprehensive income.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the statement of consolidated profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the profit or loss ("**FVTPL**") are expensed in the Statement of Consolidated Profit and Loss.

I. Debt Instruments:

Subsequent measurement of debt instruments depends on the Group business model for managing the assets and cash flows characteristic. There are three measurement categories into which the group classifies its debt instruments.

- **Amortised Cost:** Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the Statement of Consolidated Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Consolidated Profit and Loss.

- **Fair value through other comprehensive Income ("FVOCI"):** Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash

flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

- **Fair value through profit or loss ("FVTPL"):** Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the consolidated statement of profit and loss. Interest income from these financial assets is included in other income. Debt instrument under this category comprises of investments in mutual funds that do not qualify for measurement at either at amortised cost or FVOCI.

II. Equity instruments

The Group subsequently measures all equity investments other than investment in subsidiary companies and joint venture at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in Statement of Consolidated Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Consolidated Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Group determines whether there has been a significant increase in credit risk 47.5.

(v) Income recognition

- **Interest income:**

  Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognized in the Statement of Consolidated Profit and Loss as part of other income.

  Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

- **Dividend:**

  Dividends are recognised in the consolidated statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

t) Exceptional items

If the management believes that losses are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's

accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgements are:

(a) Estimation of current tax expense and current tax payable (Refer note:42)
(b) Estimated fair value of unlisted equity securities. (Refer note: 47.2)
(c) Useful lives of property, plant and equipment and intangible assets. (Refer note:5A & 7)
(d) Estimation of Defined benefits plan (Refer note:46)
(e) Estimation of contingent liabilities (Refer note:51)
(f) Impairment of trade receivables (Refer note:47.5)

3. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

Summary of other accounting policies:

This note provides a list of other accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation:

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("**CODM**") which consists of the Chairman and Managing Director. The CODM assess the financial performance and position of the Company and makes strategic decisions. See Note 43 for segment information presented.

c) Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the consolidated statement of profit and loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Consolidated Statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

d) Leases

Group's material accounting policies about Leases as a lessee are explained in Note 2(d).

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

e) Property, Plant and Equipment

Company's material accounting policies about property, plant and equipment are explained in Note 2(h).

All other repairs and maintenance expenses (Subsequent costs) of which it is not probable that future economic benefits associated with the item will flow to the group are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

f) Intangible assets

Company's material accounting policies about intangible assets are explained in Note 2(i).

Computer software

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

They are amortised over a period of 3 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of profit and loss.

g) Investment Properties

Company's material accounting policies about Investment Properties are explained in Note 2(j).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

h) Impairment of assets

The carrying amount of assets are reviewed at each balance sheet date to assess if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset/cash generating unit exceeds its recoverable amount. The recoverable amount of the assets/ cash generating unit is fair value less costs of disposal or value in use, whichever is higher.

i) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of each entities of the Group are measured using the currency

of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian Rupees ('₹'), which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the consolidated statement of profit and loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other gains / (losses).

(iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

A. assets and liabilities are translated at the closing rate at the date of that balance sheet.
B. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction).
C. all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to the consolidated statement of profit and loss, as part of the gains / (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

j) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

k) Research and development expenses

Revenue expenditure pertaining to research is charged to the consolidated statement of profit and loss. Development costs of products are also charged to the consolidated statement of profit and loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The

amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant & equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

Changes in accounting policies and disclosures

There are no changes in the accounting policies applied during the last three Fiscals.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Income

Our total income comprises of revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises of revenue from (i) sale of products, (ii) sale of services, and (iii) other operating revenues, including (a) scrap sales / others, and (b) export incentives.

The following table sets forth a breakdown of our revenue from contract with customers for the years indicated:

(All amounts in ₹ crore, unless otherwise indicated)

	Fiscal		
	2025	**2024**	**2023**
Sale of products	2,304.95	2,024.70	2,037.73
Sale of services	24.67	23.58	27.65
Other operating revenues:			
- Scrap sales / others	4.38	6.22	4.71
- Export incentives	15.38	10.51	7.31
Total	**2,349.38**	**2,065.01**	**2,077.40**

Other income

Our other income primarily consists of (i) interest incomes on (a) bank deposits, (b) income tax refund, (c) loans and advances, and (d) others; (e) investments in mutual fund / shares; (ii) lease rental income on investment properties; and (iii) other gains and losses, including (a) gain on disposal of property, plant and equipment, (b) net gain arising on financial assets mandatorily measured at FVTPL, (c) excess provision/ liabilities written back (net), (d) net gain arising on sale of Investment in equity instrument, (e) net gain arising on sale of mutual funds, (f) net gain arising on foreign currency transactions, and (g) miscellaneous income.

The following table sets forth a breakdown of our other income for the years indicated:

(All amounts in ₹ crore, unless otherwise indicated)

	Fiscal		
	2025	**2024**	**2023**
Interest Income			
on banks deposits	0.43	0.74	0.92
on income tax refund	0.42	17.98	0.93
on loans and advances	1.25	2.52	2.10
others	0.01	-	0.01
Dividend Income			
on investment in mutual funds/shares	0.10	0.03	0.03
Lease rental income on investment properties	13.77	13.17	14.45
Other gains and losses			
Gain on disposal on property, plant and equipment	0.07	-	2.00
Net gain arising on financial assets mandatorily measured at FVTPL	3.49	10.95	0.97
Excess provision/ liabilities written back (net)	-	0.01	0.50

Net gain arising on sale of Investment in equity instruments	-	0.95	-
Net gain arising on sale of mutual funds	22.63	4.39	9.04
Net gain arising on foreign currency transactions	0.30	1.83	3.10
Miscellaneous income	1.26	3.28	1.68
Total	**43.73**	**55.85**	**35.73**

Expenses

Our expenses comprise of (i) cost of materials consumed, (ii) purchases of stock-in-trade, (iii) changes in inventories of finished goods, work in progress and stock-in-trade, (iv) employee benefits expense, (v) finance costs, (vi) depreciation and amortisation expense, and (vii) other expenses.

Cost of Materials Consumed

Cost of materials consumed includes the cost incurred in connection with the raw materials consumed and packing material consumed.

Purchases of stock-in-trade

Purchases of stock-in-trade includes the cost incurred in connection with consumption of traded items.

Changes in inventories of finished goods, work in progress and stock-in-trade

Changes in inventories of finished goods, work in progress and stock-in-trade include the changes in the finished goods, work-in-progress goods, and stock-in-trade during the respective year, adjusted for foreign currency translation adjustments.

Employee Benefits Expense

Our employee benefits expense comprises of (i) salaries, wages and bonus, (ii) contribution to provident and other funds, (iii) employee share-based payment expense (iv) staff welfare expenses (v) gratuity expenses.

The following table sets forth a breakdown of our employee benefits expense for the years indicated:

(All amounts in ₹ crore, unless otherwise indicated)

	Fiscal		
	2025	**2024**	**2023**
Salaries, wages and bonus	250.33	253.68	211.80
Contribution to provident and other funds	12.40	12.37	8.61
Employee share-based payment expense	11.51	1.47	16.79
Staff welfare expenses	13.95	13.49	8.21
Compensated absences	3.35	-	-
Gratuity expenses	5.13	4.83	4.00
Total employee benefits expense	**296.67**	**285.84**	**249.41**

Finance costs

Our finance cost comprises of (i) interest on borrowings, (ii) interest in lease liabilities, and (iii) interest on others.

Depreciation and amortisation expense

Our tangible and intangible assets are depreciated and amortised over periods corresponding to their estimated useful lives. Please see "***Material Accounting Policies***" above. Our depreciation and amortisation expense comprises of (i) depreciation of property, plant and equipment, (ii) depreciation of right-of-use assets, (iii) depreciation of investment properties, and (iv) amortisation of intangible assets.

Other expenses

Our other expenses comprise of (i) power and fuel, (ii) rent expense, (iii) repairs and maintenance of (a) plant and

machinery, and (b) buildings, (iv) consumption of stores and spares, (v) transport and freight charges (net), (vi) labor contract charges, (vii) property maintenance expenses, (viii) legal and professional charges, (ix) rates and taxes, (x) insurance, (xi) directors sitting fees, (xii) loss on sale / retirement of property, plant and equipment, (xiii) net loss (gain) on foreign currency transactions, (xiv) provision for doubtful debts, (xv) provision for doubtful advances, (xvi) expenditure on corporate social responsibility, and (xvii) miscellaneous expenses.

The following table sets forth a breakdown of our other expenses for the years indicated:

(All amounts in ₹ crore, unless otherwise indicated)

	Fiscal		
	2025	**2024**	**2023**
Power and fuel	160.14	149.82	134.54
Rent expense	1.36	1.26	0.93
Repairs and maintenance:			
- Plant and machinery	24.20	17.13	12.84
- Buildings	0.72	1.49	1.43
Consumption of stores and spares	63.79	59.78	47.90
Transport and freight charges (net)	69.00	43.15	43.07
Labor contract charges	29.26	27.27	31.17
Property maintenance expenses	0.60	0.07	0.08
Legal and professional charges	15.82	18.15	17.63
Rates and taxes	4.71	8.17	7.40
Water charges	6.05	-	-
Insurance	10.40	13.46	8.19
Directors sitting fees	0.51	0.95	0.50
Loss on sale / retirement of property, plant and equipment	-	0.89	0.03
Net loss (gain) on foreign currency transactions	-	0.70	0.26
Provision for doubtful debts	3.65	0.81	2.03
Provision for doubtful advances	0.97	-	-
Expenditure on corporate social responsibility	7.95	7.99	6.15
Miscellaneous expenses	81.24	94.37	67.52
Total other expenses	**480.37**	**445.46**	**381.67**

Results of Operations

The following table sets forth our consolidated statement of profit and loss for the years indicated:

(All amounts in ₹ crore, unless otherwise indicated)

	Fiscal		
	2025	**2024**	**2023**
Income			
Revenue from operations	2,349.38	2,065.01	2,077.40
Other income	43.73	55.85	35.73
Total income	2,393.11	2,120.86	2,113.13
Expenses			
Cost of materials consumed	1,047.83	902.28	905.72
Purchases of stock-in-trade	7.48	9.43	19.66
Changes in inventories of finished goods, work in progress and stock-in-trade	(16.69)	23.72	(29.37)
Employee benefits expense	296.67	285.84	249.41
Finance costs	77.93	74.56	27.52
Depreciation and amortisation expense	119.43	96.16	62.64
Other expenses	480.37	445.46	381.67
Total expenses	**2,013.02**	**1,837.45**	**1,617.25**
Profit before exceptional items and tax	380.09	283.41	495.88
Exceptional items	0	52.13	0
Profit before tax	380.09	335.54	495.88

Tax expenses			
Current tax			
For the year	80.71	61.79	106.10
For earlier year	(0.27)	(26.09)	-
Deferred tax	11.05	29.33	14.59
Total tax expenses	91.49	65.03	120.69
Profit for the year	**288.60**	**270.51**	**375.19**
Share of (loss) from joint ventures	(0.02)	(0.01)	(0.01)
Total profit for the year	288.58	270.50	375.18
Other comprehensive income			
Items that will not be reclassified to profit and loss (net of tax)			
Remeasurement loss of the defined benefit obligations	1.83	(0.85)	1.03
Income tax/Current tax relating to the above	(0.48)	0.31	(0.26)
Total (A)	**1.35**	**(0.54)**	**0.77**
Items that may be reclassified to profit and loss			
Exchange differences on translation of foreign operations	1.51	0.56	1.27
Total (B)	**1.51**	**0.56**	**1.27**
Total other comprehensive income (A+B)	**2.86**	**0.02**	**2.04**
Total comprehensive income for the year	**291.44**	**270.52**	**377.22**

Fiscal 2025 compared to Fiscal 2024

Income

Our total income increased by 12.84% from ₹ 2,120.86 crores in the Fiscal 2024 to ₹ 2,393.11 crores in the Fiscal 2025. This increase in our total income was primarily attributable to higher revenue from operations.

Revenue from operations

Our revenue from operations increased by 13.77% from ₹ 2,065.01 crores in the Fiscal 2024 to ₹ 2349.38 crores in the Fiscal 2025. This increase reflects capacity addition in HPP, improved product realisation and higher CDMO sales.

Other income

Our other income decreased by 21.70% from ₹ 55.85 crores in the Fiscal 2024 to ₹ 43.73 crores in the Fiscal 2025, primarily reflecting one off interest on income tax refund in FY 24.

Expenses

Our total expenses increased by 9.56% from ₹ 1,837.45 crores in the Fiscal 2024 to ₹ 2,013.02 crores in the Fiscal 2025. This increase in our total expenses was attributable to higher volumes from commissioning new capacities and also consequent higher deprecation.

Cost of Materials Consumed

Our expenses pertaining to cost of materials consumed increased by 16.13% from ₹ 902.28 crores in the Fiscal 2024 to ₹ 1,047.83 crores in the Fiscal 2025. This increase in our expenses was as a result of higher sales from better utilisation and commissioning of new capacities.

Purchase of stock-in-trade

Our expenses pertaining to purchase of stock-in-trade decreased by 20.68% from ₹ 9.43 crores in the Fiscal 2024 to ₹ 7.48 crores in the Fiscal 2025. This decrease in our expenses reflects lower sales in Manchester Organic Limited.

Changes in inventories of finished goods, work in progress and stock-in-trade

Changes in inventories of finished goods, work in progress and stock-in-trade decreased by 170.36% from ₹ 23.72 crores in the Fiscal 2024 to ₹ (16.69) crores in the Fiscal 2025. This change reflects higher inventories at the end of Fiscal 25.

Employee benefits expense

Our employee benefits expense increased by 3.79% from ₹ 285.84 crores in the Fiscal 2024 to ₹ 296.67 crores in the Fiscal 2025. The increase reflects net increase from normal increment after considering effects from changes in employee headcount movement

Finance costs

Our expenses pertaining to finance costs increased by 4.52% from ₹ 74.56 crores in the Fiscal 2024 to ₹ 77.93 crores in the Fiscal 2025. This increase was primarily due to higher interest costs following addition of new capacities.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 24.20% from ₹ 96.16 crores in the Fiscal 2024 to ₹ 119.43 crores in the Fiscal 2025. This increase in our depreciation and amortisation expense was primarily due to addition of new capacities.

Other expenses

Our other expenses increased by 7.84% from ₹ 445.46 crores in the Fiscal 2024 to ₹ 480.37 crores in the Fiscal 2025. This increase in our other expenses was mainly due to higher freight and power cost.

Profit before tax

As a result of the foregoing, our profit before tax increased by 13.28% from ₹335.54 crores in the Fiscal 2024 to ₹380.09 crores in the Fiscal 2025.

Total tax expenses

Our total tax expenses increased by 40.69% from ₹ 65.03 crores in the Fiscal 2024 to ₹ 91.49 crores in the Fiscal 2025. This increase is mainly as a result of higher profits excluding effect from reversal of excess provision in earlier years.

Total profit for the year after JV share

Our total profit for the year increased by 6.68% from ₹270.50 crores in the Fiscal 2024 to ₹288.58 crores in the Fiscal 2025. This increase in our total profit reflect improvement in our operational performance, improved capacity utilisation, improved realisations, disciplined cost management.

Total comprehensive income for the year

As a result of the foregoing, our total comprehensive income for the year increased by 7.73% from ₹ 270.52 crores in the Fiscal 2024 to ₹ 291.44 crores in the Fiscal 2025. This increase in our total comprehensive income for the year was attributable to increase in the total profit for the year.

Fiscal 2024 compared to Fiscal 2023

Income

Our total income increased by 0.37% from ₹2,113.13 crores in the Fiscal 2023 to ₹ 2,120.86 crores in the Fiscal 2024. Our total income increased mainly due to increase in other income

Revenue from operations

Our revenue from operations decreased by 0.60 % from ₹ 2,077.40 crores in the Fiscal 2023 to ₹ 2,065.01 crores in the Fiscal 2024. Our revenue from operations remains broadly flat, reflecting mainly macro environment headwinds and lower CDMO sales

Other income

Our other income increased by 56.31% from ₹35.73 crores in the Fiscal 2023 to ₹55.85 crores in the Fiscal 2024. This increase in our other income mainly reflects interest on income tax refund.

Expenses

Our total expenses increased by 13.62% from ₹ 1,617.25 crores in the Fiscal 2023 to ₹1,837.45 crores in the Fiscal 2024. This increase in our total expenses was attributable to increase in depreciation, finance cost , employee benefit expenses and other expenses.

Cost of Materials Consumed

Our expenses pertaining to cost of materials consumed decreased by 0.38% from ₹905.72 crores in the Fiscal 2023 to ₹ 902.28 crores in the Fiscal 2024. Cost of material consumed remained largely flat in line with our total sales.

Purchase of stock-in-trade

Our expenses pertaining to purchase of stock-in-trade decreased by 52.03% from ₹19.66 crores in the Fiscal 2023 to ₹9.43 crores in the Fiscal 2024. This decrease in our expenses reflects lower sales of catalogue products in Manchester Organic Limited.

Changes in inventories of finished goods, work in progress and stock-in-trade

Changes in inventories of finished goods, work in progress and stock-in-trade increased by 180.76% from ₹ (29.37) crores in the Fiscal 2023 to ₹23.72 crores in the Fiscal 2024. This increase was as a result of lower levels of inventories.

Employee benefits expense

Our employee benefits expense increased by 14.61% from ₹249.41 crores in the Fiscal 2023 to ₹285.84 crores in the Fiscal 2024. This increase in our employee benefits expense was mainly attributable to full year operation of NFASL.

Finance costs

Our expenses pertaining to finance costs increased by 170.93% from ₹27.52 crores in the Fiscal 2023 to ₹ 74.56 crores in the Fiscal 2024. This increase in our expenses pertaining to finance costs was mainly attributable to full year operation of NFASL

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 53.51% from ₹62.64 crores in the Fiscal 2023 to ₹ 96.16 crores in the Fiscal 2024. This increase in our depreciation and amortisation expense was mainly attributable to to full year operation of NFASL Further, the increase is due to addition of capacities, de-bottlenecking capex in our Company.

Other expenses

Our other expenses increased by 16.71% from ₹ 381.67 crores in the Fiscal 2023 to ₹445.46 crores in the Fiscal 2024. This increase in our other expenses was mainly attributable to full year operation of NFASL

Profit before tax

As a result of the foregoing, our profit before tax decreased by 32.33% from ₹ 495.88 crores in the Fiscal 2023 to ₹335.54 crores in the Fiscal 2024. The performance reflects higher cost consequent to commissioning of new capacities.

Total tax expenses

Our total tax expenses decreased by 46.12% from ₹120.69 crores in the Fiscal 2023 to ₹65.03 crores in the Fiscal 2024. This decrease in our total tax expenses was attributable to reversal of excess tax provisions and lower profits.

Total profit for the year after JV share

Our total profit for the year decreased by 27.90% from ₹375.18 crores in the Fiscal 2023 to ₹270.50 crores in the Fiscal 2024. This decrease increase in our total profit for the year was attributable to lower operational performance.

Total comprehensive income for the year

As a result of the foregoing, our total comprehensive income for the year decreased by 28.29% from ₹377.22 crores in the Fiscal 2023 to ₹270.52 crores in the Fiscal 2024. This decrease in our total comprehensive income for the year was attributable to lower profits.

Cash flows

The following table sets out a condensed summary of our cash flows for the years indicated:

(All amounts in ₹ crore)

	Fiscal		
	2025	**2024**	**2023**
Net cash (used in)/ generated from operating activities	570.81	749.89	(63.59)
Net cash (used in)/ generated from investing activities	(511.07)	(1093.45)	(655.62)
Net cash (used in)/ generated from financing activities	(46.70)	335.90	657.94
Cash and cash equivalents at the beginning of the year	6.64	14.47	75.74
Cash and cash equivalents at the end of the year	19.68	6.64	14.47

Operating Activities

Fiscal 2025

Net cash generated from operating activities was ₹570.81 crores for the Fiscal 2025. This comprises operating profit before changes in operating assets and liabilities of ₹ 555.60 crores, decrease in operating assets of ₹5.64 crores and increase in operating liabilities of ₹ 87.58 crores and income taxes paid (net of refunds) paid of ₹ 78.01 crore. Operating cash flow reflects strong operational performance and continued actions on working capital such as control over inventory and increase in credit days from supplier.

Fiscal 2024

Net cash generated from operating activities was ₹749.89 crores for the Fiscal 2024. This comprises operating profit before changes in operating assets and liabilities of ₹ 423.13 crores, decrease in operating assets of ₹225.02 crores and increase in operating liabilities of ₹136.01 crore and income taxes paid (net of refunds) of ₹ 34.27 crore. Operating cash flow reflect strong operational performance and continued actions on working capital such as control over inventory and increase in credit days from supplier.

Fiscal 2023

Net cash used in operating activities was ₹63.59 crore for the Fiscal 2023. This comprises operating profit before changes in operating assets and liabilities of ₹ 576.93 crores**,** increase in operating assets of ₹650.79 crores and increase in operating liabilities of ₹ 120.05 crore and income taxes paid (net of refunds) of ₹ 109.78 crore. Our movements in operating assets and liabilities primarily consisted of higher working capital.

Investing Activities

We have invested in capital expenditure over the last three financial years towards various project that were commissioned in last three years such as hydro-fluoro-olefins plant, two multi-purpose plants, key agro specialty plant, R-32 facility and de-bottlenecking our manufacturing capacities.

Fiscal 2025

Net cash used in investing activities was ₹ 511.07 crores for the Fiscal 2025. This was primarily due to ongoing capital expenditure across projects as stated above.

Fiscal 2024

Net cash used in investing activities was ₹1,093.45 crores for the Fiscal 2024. This was primarily due to ongoing capital expenditure across projects as stated above.

Fiscal 2023

Net cash used in investing activities was ₹655.62 crore for the Fiscal 2023. This was primarily due to ongoing capital expenditure across projects as stated above.

Financing Activities

Fiscal 2025

Net cash used in financing activities was ₹46.70crores for the Fiscal 2025. This was primarily due to dividend and interest payouts.

Fiscal 2024

Net cash generated in financing activities was ₹ 335.90 crores for the Fiscal 2024. This was primarily due to increase in long term and short term borrowings.

Fiscal 2023

Net cash generated from financing activities was ₹657.94 crore for the Fiscal 2023. This was primarily due to increase in long term and short term borrowings.

Liquidity and Capital Resources

Our primary sources of liquidity have historically been cash generated from operations / short-term borrowings from banks. We expect that cash generated from operations / short-term borrowings from banks will continue to be our primary sources of liquidity. As of March 31, 2025, we had cash and cash equivalent of ₹ 19.68 crores.

Borrowings

As of March 31, 2025, we had total borrowings of ₹1,440.73 crore, which consisted of non-current and current borrowings.

As of March 31, 2025, the effective interest rates of our term loans, cash credit and working capital loan is 7.90% to 8.82%.

The following table sets out borrowings as at March 31, 2025:

(All amounts in ₹ crore, unless otherwise indicated)

	As at March 31, 2025
Non-current	
a) Term loan from banks	1053.44
Total non-current borrowings	**1053.44**
Current	
a) Cash Credit	150.81
b) Working capital loan from banks	139.16
c) Current maturities of long term borrowings	97.32
Total current borrowings	**387.29**
Total Secured loans	**1440.73**
Total Unsecured loans	**-**

The loan agreements that we have entered into with the lender banks contain certain restrictive covenants that limit our ability to undertake certain types of transactions. We are required to obtain an approval from the lender banks for, among other things, altering our capital structure, dilution in shareholding by our holding Company into the subsidiary, effecting any change in the composition of the board of directors of our Company and its management and control and amending constitutional documents. See "***Risk Factors – We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, termination of our credit facilities, suspension of further drawdowns, etc., which may adversely affect our business, results of operations and financial condition***" on page 54.

Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as of March 31, 2025:

(All amounts in ₹ crore, unless otherwise stated)

	Total	As at March 31, 2025	
		Current	Non-current
Contract liabilities	139.82	26.23	113.59
Trade payables	326.96	326.96	-
Lease liabilities	25.66	12.47	13.19
Current other financial liabilities	99.15	99.15	-
Other non-current labilities	13.44	-	13.44
Total	605.03	464.81	140.22

Contingent liabilities and commitments

(in ₹ crore)

Contingent Liabilities (As at March 31, 2025)	
Particulars	
Claims against the Group not acknowledged as debts	
a. Income tax matters - Matters decided against the group in respect of which the group has preferred an appeal.	5.46
b. Excise duty matters	4.23
c. Sales-tax matters	0.88
d. Employee related matters	0.82
e. Goods and Service tax matters	0.83
f. Other Corporate guarantee / Bank guarantees	0.15
Total	**12.37**

Related Party Transactions

For details in relation to related parties' transactions entered by us on a consolidated basis during Fiscals 2025,

2024 and 2023, as per the requirements under Ind AS, see Note 49 in the notes to the 2025 audited consolidated financial statements, Note 49 in the notes to the 2024 audited consolidated financial statements and Note 49 in the notes to the 2023 audited consolidated financial statements.

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances) is ₹ 238.01 crores, as at March 31, 2025.

Capital Expenditure

Our capital expenditures include investment in various project as announced by the Company such as new hydrofluoric acid plant, R32 capacities, expanding CDMO capacities and key fluoro speciality chemical plant. The following table sets out the net block of property plant and equipment, goodwill and other intangible assets for the years indicated:

(All amounts in ₹ crore, unless otherwise indicated)

		Fiscal	
	2025	**2024**	**2023**
Property, plant and equipment			
- Freehold land	0.37	0.37	0.37
- Buildings	360.08	242.61	201.32
- Office equipment	25.21	16.50	14.98
- Vehicles	0.85	1.18	1.45
- Plant and machinery	2147.78	1406.26	1,240.25
- Furniture and fixtures	16.18	18.52	13.46
Right-of-use assets			
- Premises	6.58	11.25	7.81
- Vehicles	11.51	8.06	2.20
- Plant and machinery	6.89	7.59	1.31
- Leasehold land	21.29	21.53	21.77
Capital work-in-progress	349.79	711.09	278.58
Investment properties	49.38	50.51	51.65
Goodwill	87.76	87.76	87.76
Intangible assets	2.41	2.46	1.55
Intangible assets under development	5.63	0.00	0.00
Total	**3091.71**	**2585.69**	**1,924.46**

Qualitative Disclosure about Market Risks

Our activities expose us primarily to the financial risks of changes in foreign currency exchange rates and other price risk. We enter into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

Foreign exchange risk

We have international operations and are exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency of our entity. The risk also includes highly probable foreign currency cash flows. We have exposure arising out of export, import and other transactions other than functional risks. We hedge our foreign exchange risk using foreign exchange forward contracts and spot transactions, according to our foreign exchange risk policy.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. We are mainly exposed to interest rate risk due to its variable interest rate

borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. We monitor fluctuations in interest rate continuously to minimise impact of interest rate risk.

Other price risks

We are mainly exposed to the price risk due to our investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. In order to manage our price risk arising from investments in equity instruments, we maintain our portfolio in accordance with the framework set by our investment policy.

Credit risk

We are exposed to credit risk, which is the risk that our counterparty(ies) will default on their contractual obligations resulting in a financial loss to us. The credit risk arises from our operating activities (i.e., primarily trade receivables), from its investing activities including deposits with banks and financial institutions and other financial instruments. Trade receivables are written off when there is no reasonable expectation of recovery. As of March 31, 2025, our trade receivables were ₹582.42 crores.

Liquidity risk

Liquidity risk is the risk that we may face in meeting our obligations associated with our financial liabilities. Our approach to managing liquidity is to ensure that we will have sufficient funds to meet our liabilities when due without incurring unacceptable losses.

Reservations, qualifications, or adverse remarks of our auditors in the last five fiscals immediately preceding the year of this Placement Document

There are no reservations, qualifications or adverse remarks of our Statutory Auditors in their respective reports on our audited consolidated financial statements for the last five Fiscals preceding the date of this Placement Document.

Known Trends and Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "**—** ***Significant Factors Affecting Our Results Of Operations***" and the uncertainties described in "***Risk Factors***", beginning on pages 91 and 38, respectively. Except as disclosed in this Placement Document, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Unusual or Infrequent Events or Transactions

As of the date of this Placement Document, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Revenue from Contracts with Customers

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations.

Future Relationships between Costs and Income

Other than as described in this section and the sections "***Risk Factors***" and "***Our Business***" on pages 38 and 170, respectively, there are no known factors which will have a material adverse impact on our business operations or financial condition.

New Products or Business Segments

Except as set out in this Placement Document, we have not announced and do not expect to announce in the near future any new products or business segments.

Competitive Conditions

For information on our competitive conditions and our competitors, see "***Risk Factors***", "***Industry Overview***" and "***Our Business***" beginning on pages 38, 119, and 170, respectively.

Suppliers or Customers Concentration

We do not have any material dependence on a single or few suppliers. While we have a wide client base, we derive a substantial portion of our revenue from our top five customers which contributed to 43.94%, 48.98% and 46.21% in Fiscals 2025, 2024 and 2023 respectively.

Seasonality of Business

Our business is not seasonal in nature.

Significant Developments after March 31, 2025

No significant developments have taken place from the date of the last audited consolidated financial statement as at March 31, 2025, other than as stated below:

- Our Company has entered into an agreement with a key customer pursuant to which our Company intends to spend ₹ 120.00 crores in order to manufacture and establish a commercial capacity of two-phase immersion cooling fluid at our facilities at Surat, Gujarat.

INDUSTRY OVERVIEW

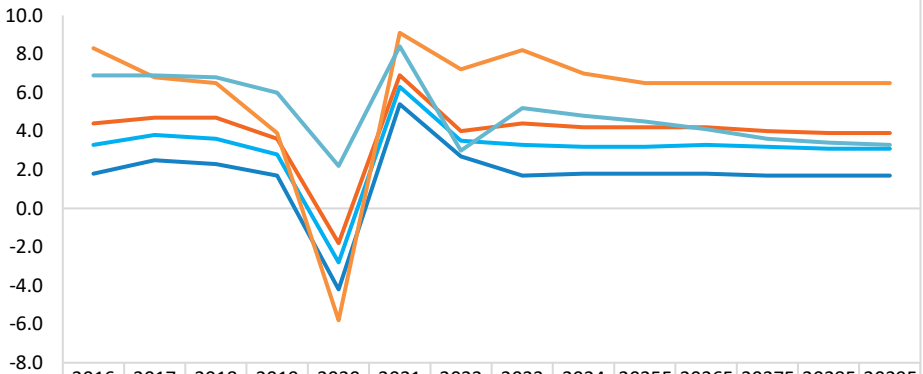
1A.Global Macroeconomic Outlook

1.1 Global Gross Domestic Product (GDP) Growth

Following a period of robust post-pandemic growth rebound in 2021, the world economy experienced soaring inflation and growth disruptions through 2022 to 2024 because of the supply chain snarls caused by the Russo-Ukrainian war, China's stringent lockdowns, the Gaza war and many geopolitical issues created thereof. Global growth decelerated from 6.3% in 2021 to 3.5% in 2022 and further to 3.2% in 2024.[1]

Russia's invasion of Ukraine in February 2022 and Gaza war in October 2023 dampened the pace of growth, exacerbated inflation, and pushed up global interest rates. On the one hand, persistent price pressures warranted tighter monetary policies, which weighed on domestic investments. On the other hand, rising costs of living, especially high energy prices, constrained purchasing power and consumer sentiment. This combined investment and demand pullback exacerbated the fears of a global recession further accelerated by USA sanctions and policies.

Exhibit 1A.1: Real GDP Growth (%) 2016- 2029F



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
World	3.3	3.8	3.6	2.8	-2.8	6.3	3.5	3.3	3.2	3.2	3.3	3.2	3.1	3.1
Advanced economies	1.8	2.5	2.3	1.7	-4.2	5.4	2.7	1.7	1.8	1.8	1.8	1.7	1.7	1.7
Emerging market and developing economies	4.4	4.7	4.7	3.6	-1.8	6.9	4.0	4.4	4.2	4.2	4.2	4	3.9	3.9
India	8.3	6.8	6.5	3.9	-5.8	9.1	7.2	8.2	7	6.5	6.5	6.5	6.5	6.5
China	6.9	6.9	6.8	6.0	2.2	8.4	3.0	5.2	4.8	4.5	4.1	3.6	3.4	3.3

Note: Data stands updated as on October 2024. F: Forecast
Source: IMF; Frost & Sullivan

Global GDP growth is expected to average 3.2% in 2024 and 2025. Inflationary pressures and rising monetary poli rates are weighing on demand conditions. Additionally, exogeneous shocks such as sustained supply chain disruptions, worsening geopolitical extremities, policies in USA accelerating trade wars and extreme-climate change incidents could continue to exert upward price pressures.

In 2024, advanced economies grew 1.8% and the emerging and developing economies by 4.2%.Advanced economies see subdued growth over the next few years, projections for the emerging and developing Asia region is likely to remain a bright spot, with growth projections at 6.5% for India.[2]

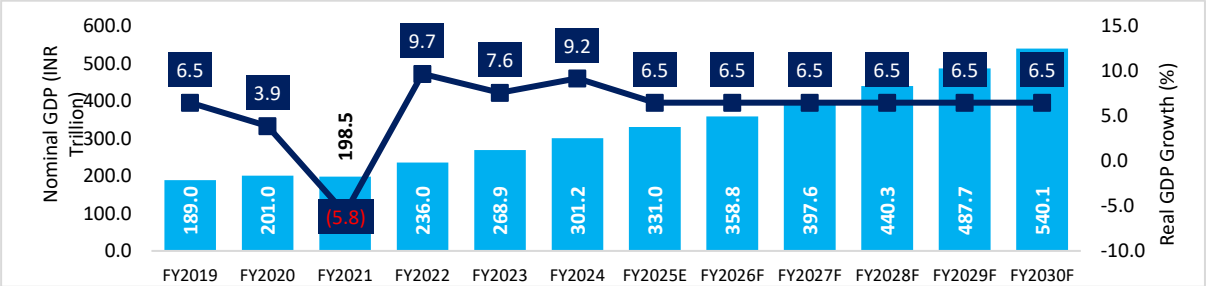
- [1] International Monetary Fund (IMF) July 2023 Update
- [2] IMF

1B India Macroeconomic Trends

1.2 India: GDP Growth Outlook

India recorded a remarkable real GDP growth rate of 9.2% and an estimated 6.5% in FY2024 and FY2025, respectively, cementing its status as a leading player in the global economy. With strong growth prospects through FY2030, India is poised to overtake Germany and Japan, emerging as the world's third-largest economy in terms of nominal GDP. By 2030, its nominal GDP is projected to surpass INR 540 trillion (USD 7 trillion), fuelled by an expansive consumer market, a growing middle class, competitive labor advantages, rising private investments, and a significant rise in government capital expenditure (capex).

Exhibit 1B.1: Nominal GDP (in INR Trillion) and Real GDP Growth (%), India, FY2019-FY2030F



Note: E: estimate, F: forecast, Data is represented in fiscal years. For e.g. FY19 is the 12-month period between 1 April 2018 and 31 March 2019; Source: IMF, Ministry of Statistics and Programme Implementation (MOSPI) – India, Frost & Sullivan

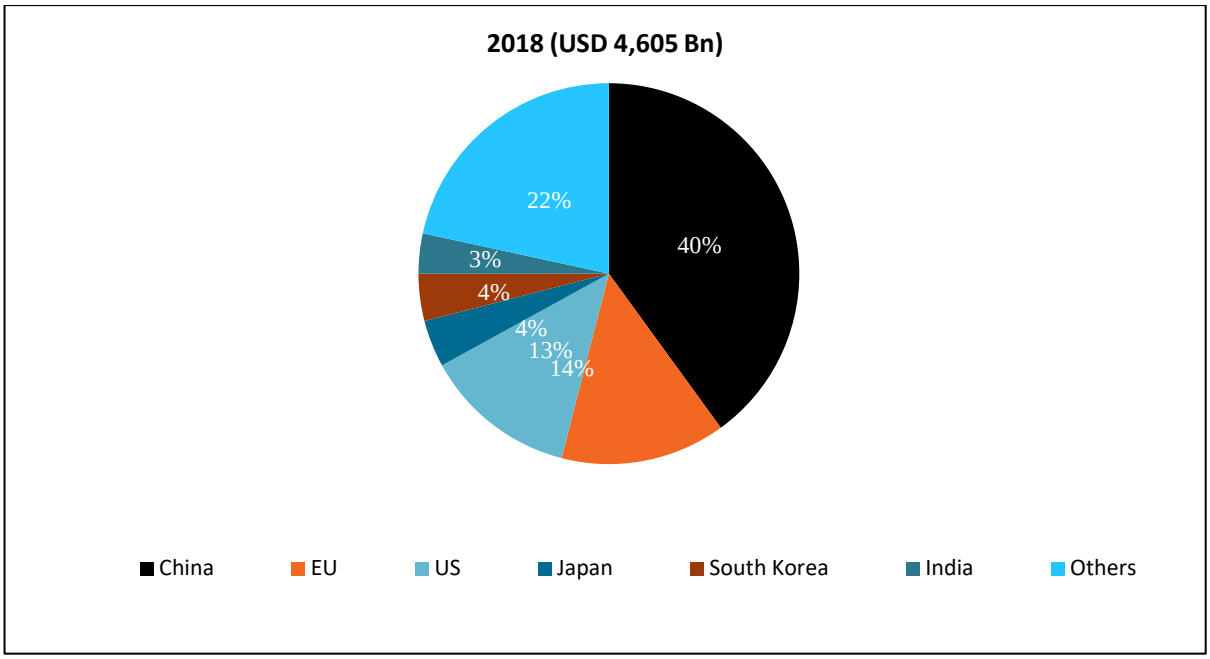
Sources: IMF; Ministry of Statistics and Programme Implementation (MoSPI); Frost & Sullivan

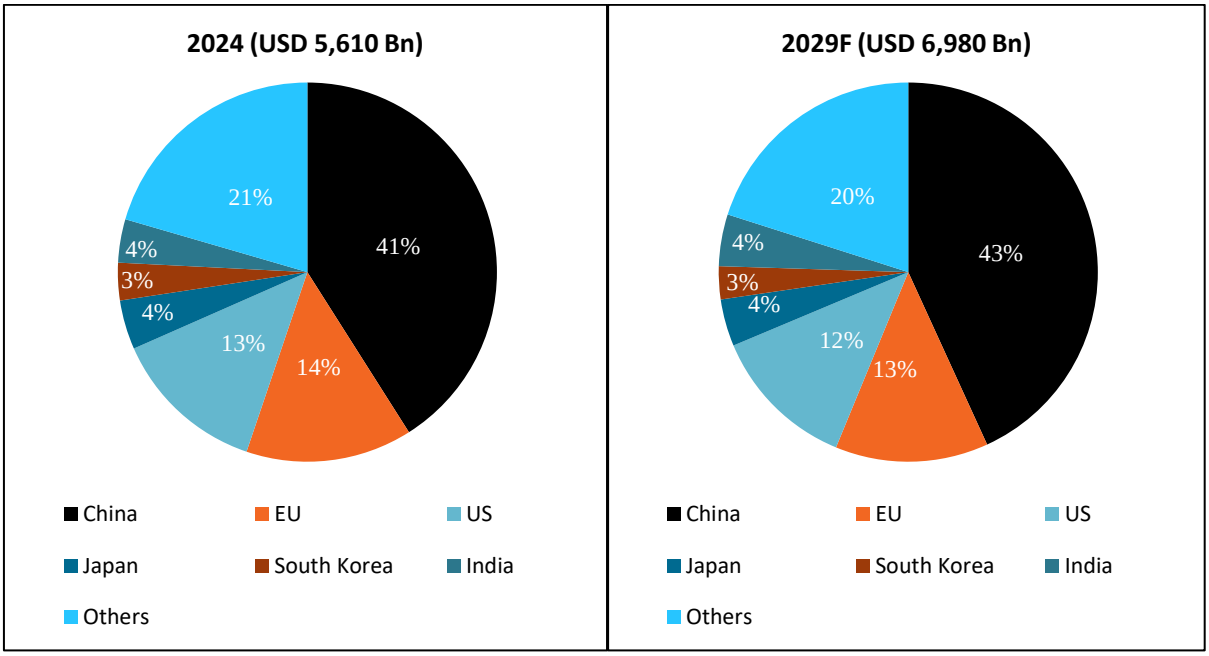
India's manufacturing growth is driven by continued investments in infrastructure and strategic initiatives such as Make in India, Atmanirbhar Bharat, and the Production Linked Incentive (PLI) schemes, which aim to strengthen domestic manufacturing capabilities and attract foreign direct investment (FDI). Furthermore, structural reforms focused on improving the ease of doing business and fostering innovation are expected to enhance India's competitiveness on the global stage.

2A.1 Global Chemicals Market: Market Overview

The global chemicals market was valued at around USD 5,610 Bn in 2024 with China accounting for major market share (41%) in the segment followed by European Union (14%) and United States (13%). India accounts for ~4.5% market share in the global chemicals market. The global chemicals market is expected to grow at 4.4% CAGR, reaching USD 6,980 Bn by 2029. Going forward the APAC is anticipated to grow at the fastest rate during the forecast period (2024 - 29F). The chemicals markets in Europe & North America are relatively mature and hence would record comparatively slower growth.

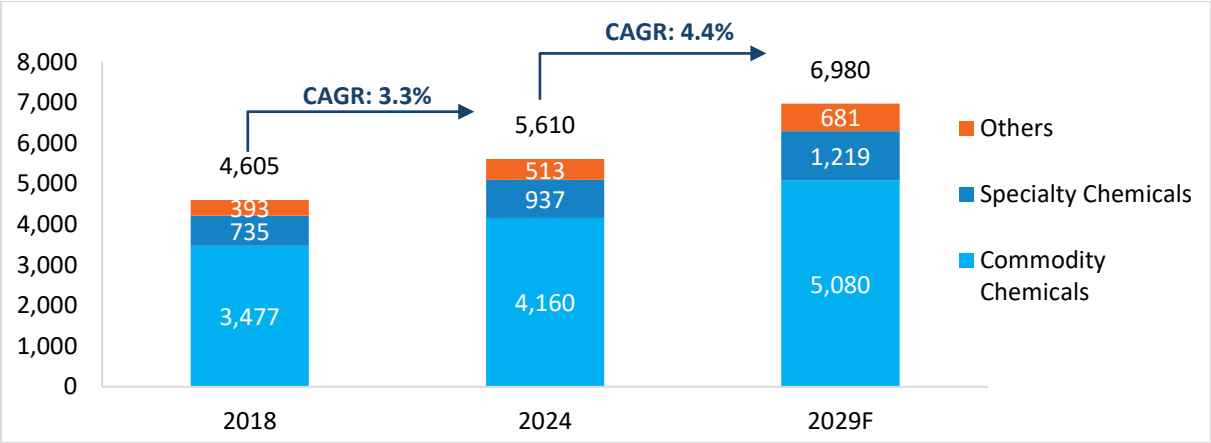
Exhibit 2A.1: Global Chemicals Market, CY2018, CY2024 and CY2029F, USD 4,605 Bn, USD 5,610 Bn and 6,980 Bn





Source: Frost & Sullivan Research & Analysis

Exhibit 2A.2: Global chemicals market, 2018, 2024 and 2029F



Source: Frost & Sullivan Research

Note: Others mainly include Biotech chemicals. Also note that the Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals and Petrochemicals outside of Commodity Chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories (Agrochemical and Fertilizers and Pharmaceuticals API) and the Commodity Chemicals section is inclusive of Bulk chemicals and Petrochemicals.

Period	Commodity Chemicals	Specialty Chemicals	Other Chemicals
CAGR – 2018-24	3.0%	4.1%	4.5%
CAGR – 2024-29F	4.1%	5.4%	5.8%

Commodity Chemicals: The commodity chemicals market includes basic chemicals that are manufactured in large volumes. These include plastics, synthetic fibres, films, certain paints and pigments, explosives, and petrochemicals. There is limited product differentiation within the sector and products are sold for their composition. The commodities market is highly fragmented. The sector is presently valued at ~US$ 4,160 Bn and is expected to grow at 4.1% globally in the next five years to reach US$ 5,080 by 2029.

- **Petrochemicals** are chemical products that are derived from crude oil, crude products, or natural gas. It is the basis for most organic chemistry. The global petrochemicals market size was predicted at ~US$ 650 Bn in 2024 and is anticipated to witness a CAGR of 5-6% over the forecast period to reach to US$ 800-850 by 2029.

Specialty Chemicals: The specialty chemicals market is characterized by high value-added, low volume chemical production. These chemicals are used in a wide variety of products, including fine chemicals, additives, pharmaceuticals, advanced polymers, adhesives, sealants and specialty paints, pigments, and coatings. The specialty chemicals market is extremely fragmented. The overall market stood at ~US$ 937 Bn in 2024 and is expected to showcase a growth between ~ 5-6% over the next five years to reach to US$ 1,219 by 2029.

Pharmaceutical (API): APIs are generally considered a sub-sector of the specialty chemicals industry. The global active pharmaceutical ingredients market size is estimated to be US$ 205– 220 Bn in 2024 and is projected to reach ~US$ 270-290 Bn by 2028 at a CAGR of 6-7% during the forecast period. The market growth is driven mainly by factors such as rising drug R&D, the increasing incidence of chronic diseases, the growing importance of generics, and the increasing uptake of biopharmaceuticals.

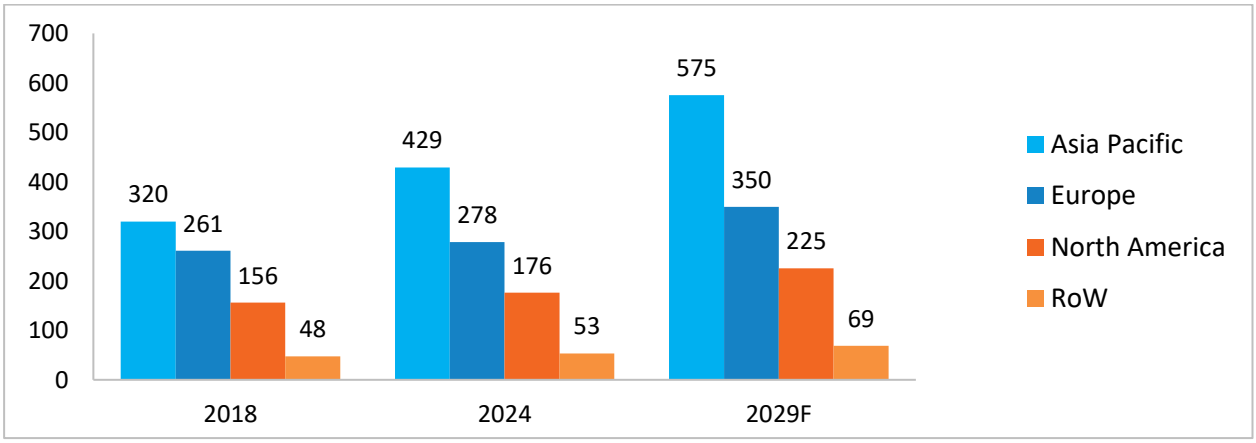
Agrochemicals & Fertilizers: The global Agrochemicals Market is estimated to be around US$ 215-225 Bn in 2024 and is expected to garner revenue of ~US$ 285-290 Bn by 2028 with a CAGR of 5-6% during the forecast period of 2024-29. Additionally, a strong focus of agrochemical manufacturers on product innovation is expected to render a higher competitive advantage to them over their rivals. The market of agrochemicals & fertilizers in China and India is expected to grow significantly owing to the increase in consumption and production of fertilizers, such as nitrogen based, potassium-based fertilizers, in these countries. Super speciality chemicals are

niche speciality chemicals with high performance. These chemicals are characterized by complex chemistries, low volume, very high prices, and limited number of suppliers. The applications for these products are also very specific. The products generally require special technology know-how and cutting-edge research that only few companies can manage, hence the entry barrier in this segment of speciality chemicals is very high. Considering the nature of the products, competition from China is also negligible. Europe and Japan lead the production and supply of super speciality chemicals.

2A.2 Global Specialty Chemicals Market

Rapid industrialisation in India and China is expected to drive demand for specialty chemicals. The Asia Pacific (APAC) dominates the market across the world, with a share of 41%, owing to a huge customer base, leading to high demand for specialty chemicals, increasing industrial production, and robust growth of the construction sector in the region. APAC is followed by Europe and North America.

Exhibit 2A.3 : Global Specialty Chemicals Market by Geography,2018, 2024, 2029F Value (US$ 735, US$ 937 Bn, US$ 1219)



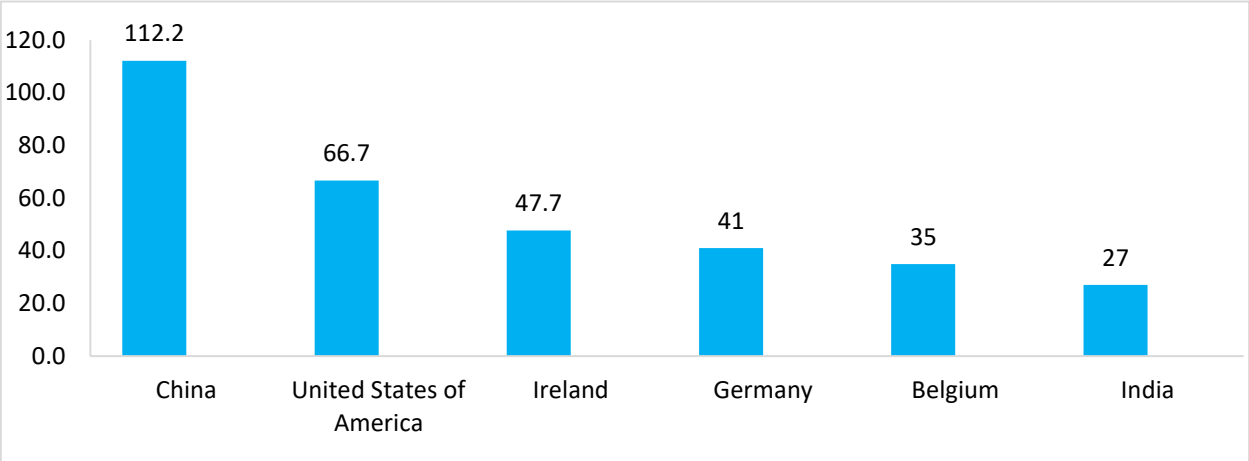
Source: Frost & Sullivan Research

Period	Asia Pacific	Europe	North America	RoW
2018 – 24 CAGR	5.0%	1.1%	2.0%	2.0%
2024 – 29F CAGR	6.0%	4.7%	5.1%	5.3%

With a high population base and majority of countries being underdeveloped or developing nations in Asia Pacific (APAC), there is high rate of construction activities resulting in higher demand for construction chemicals and paints & coatings additives. Embracing modern practices in the fields, agrochemicals have seen tremendous growth particularly for pesticides and fertilizer consumption. China, India, and Japan represent the largest agrochemicals markets of the Asian continent. Currently, China is leading the market with its developing agricultural sector along with the need for its ever-growing population. Globally, China is not only the largest producer but also the largest consumer of fertilizers.

2A.3 Global Trade scenario – Organic and Inorganic chemicals

Exhibit 2A.4 : Global Chemicals Exports by top countries,2024 (US$ Mn)



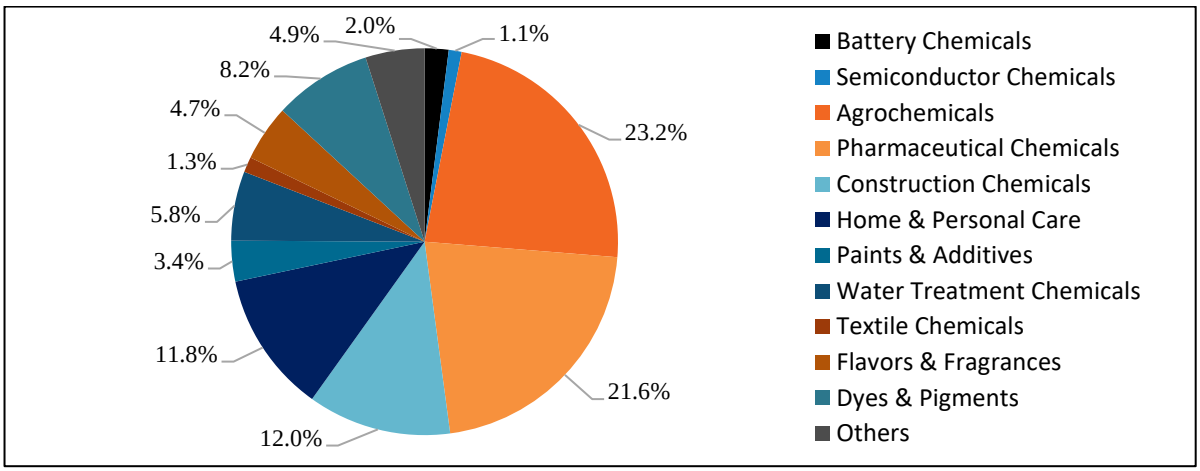
China has the largest share of exports of chemicals with 30% of the total traded value. India's share on overall basis is just about 7%. However, India leads with good share of exports of speciality chemicals, with main markets as USA, Europe and LATAM.

2A.4 Global Specialty Chemical Market Segmentation – by Industry and Application Type

The global specialty chemicals industry can be segmented by the final end-user industry that these chemicals find applications in. Every end-industry varies in complexities of specialties required, and thus offer unique opportunities for specialty chemical players in terms of technology, competitive landscapes, profitability and corporate collaborations for growth and market penetration.

Note: *There is considerable overlap in this method of segmenting specialty chemicals. Specialty chemicals often find use in more than one industry, and the segmentation below is purely to understand the size and potential of various end applications, as a part of business strategy and prioritization.*

Exhibit 2A.5: Global Specialty Chemicals Market, Industries & Applications, CY2024, Value (~ USD 937 Bn)



Source: Frost & Sullivan Research & Analysis

2A.5 Growth Outlook

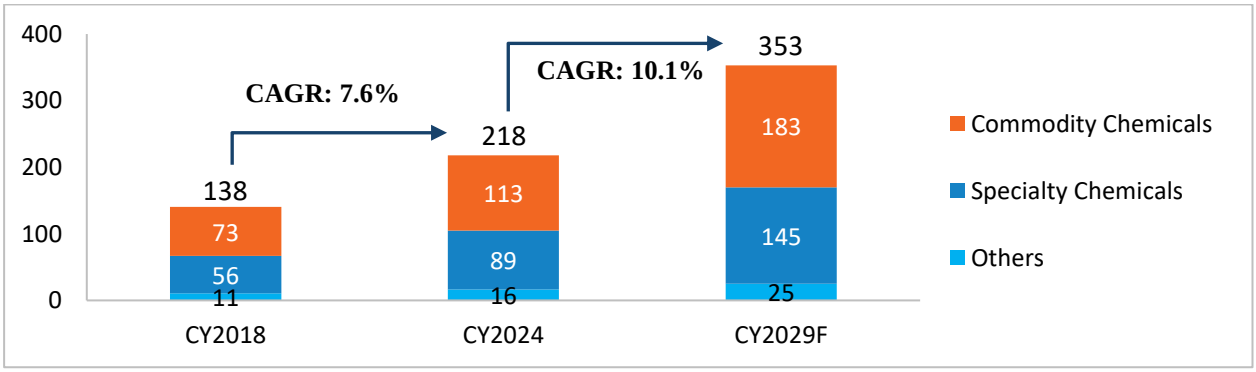
5 - Year Growth Forecast Split by Key Industries

Segments	Battery Chemicals	Semiconductor Chemicals	Agrochemicals & Fertilizers	Pharma Chemicals (APIs)	Construction Chemicals	Home & Personal Care Ingredients	Paints & Coatings Additives	Water Treatment Chemicals	Textile Chemicals	F&F Ingredients
(2024-29F CAGR)	6.4%	6.6%	5.7%	6.1%	4.9%	5.2%	5.2%	5.0%	3.7%	5.4%

2B.1 India Chemical Industry: Market Overview

The Indian chemicals market is valued at USD 218 Bn in year CY 2024e (~4% share in the global chemical industry) with the commodity chemicals accounting for more than ~50%. It is expected to reach ~USD 330 Bn by CY 2029, with an anticipated growth of ~8.7% CAGR. Specialty chemicals industry forms ~40% of the domestic chemical market, which is expected to grow at a CAGR of around 10-11% between 2024 and 2029.

Figure 2B.1: Indian Chemicals Market, CY2018, 2024e and 2029f (USD Bn)



Source: Frost & Sullivan Research

Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section. Agrochemical & Fertilizer and Pharmaceuticals API contribute to more than 55% of the specialty chemical space in India.Others mainly includes biotechnology.

Period	Commodity Chemicals	Specialty Chemicals	Others
2018-24	7.4%	7.9%	7.3%
2024-29F	10.2%	10.3%	8.8%

The Specialty chemicals industry is driven by both domestic consumption and exports. India's specialty chemical companies are gaining favour with global MNCs because of the geopolitical shift after the outbreak of Covid-19 as the world looks to reduce its dependence on China. In CY 2019, China accounted for ~15-17% of the world's exportable specialty chemicals, whereas India accounted for merely 1-2% indicating that the country has large scope of improvement and widespread opportunity. Post Covid scenario, India's share in specialty chemicals sector has doubled up and increased to 4%. It is anticipated that Specialty chemicals will be the next great export pillar for India.

Home and personal care chemicals, water treatment chemicals, construction chemicals, agrochemicals etc. are areas where specialty chemicals find their applications. The growth of the market is in conjunction with the overall growth of the Indian economy. Aarti Industries, Atul Limited, Vinati Organics, Alkyl Amines, Navin Fluorine are the bigger players prevalent in the Indian Specialty chemicals market.

The exports are on the rise as India is becoming a central manufacturing hub for such chemicals. Tightening of environmental norms (e.g., REACH Registration, Evaluation, Authorisation and Restriction of Chemicals Regulations) in developed countries and the slowdown of China are contributing to the growth of exports.

China's specialty chemicals market has seen a downturn in recent years due to various factors; most prominent being the introduction of stringent environmental norms. The tightening of environmental protection norms in China since January 2015 resulted in increase in operating costs, closure and relocation of manufacturing facilities. Additionally, the labour cost (hourly cost of compensation) in China was lower than that of India till CY 2007. Over CY 2005-2015, the average labour cost in China increased nearly 19-20% CAGR, against 4-5% CAGR in India. Under these circumstances, the growth of the Chinese specialty chemicals market also has been slowing down.

The recent downturn observed in China's speciality chemicals industry is serving as an opportunity for Indian manufacturers, who have now gained a cost advantage over their Chinese counterparts.

Specialty chemical companies will prosper in India because of its chemistry, R&D skillset and economies of scales achieved by the country. India's R&D capabilities and the long-term relationships that the domestic Indian chemical companies have forged with their customers are key to the growth of Indian chemical companies. The sector is witnessing accelerated capital expenditure and investment in R&D to build product development capabilities. Increased R&D allows these companies to step up their position in the speciality chemicals manufacturing value chain to become 'proprietary chemical producers'. These companies had made capital expenditure for capacity augmentation and/or product development based on their end-user industries. Additionally, India's Environmental and Health Safety practices are much more stringent than other manufacturing centres like China, providing a significant strategic advantage.

High Barriers to Entry Industry

Complex manufacturing process and complex chemistries

Due to the involvement of complex chemistries in the manufacturing of products and complex production processes requiring high levels of technical knowledge and Research and Development capabilities, the Specialty Chemicals industry observes a high barrier to new entrants.

Rigorous product approvals

Given the nature of the application of products and the complex processes involved, the products are subject to very sensitive and rigorous product approval systems with stringent impurity specifications. Typically, the supplier is required to be enlisted with customers after lengthy qualification for the products, particularly with the customers in industries such as automotive, petrochemical refineries and pharmaceutical industries these norms ensure only the committed players enter and remain in this business. As a consequence of this, approval of any such product typically takes a few years.

Further, the costs involved of approving any change in suppliers of such products are relatively high, consequently disincentivising any such change in suppliers. Customers typically select suppliers after carefully reviewing them and tend to develop long-term relationships with them as well as limit the number of such suppliers.

Product customization

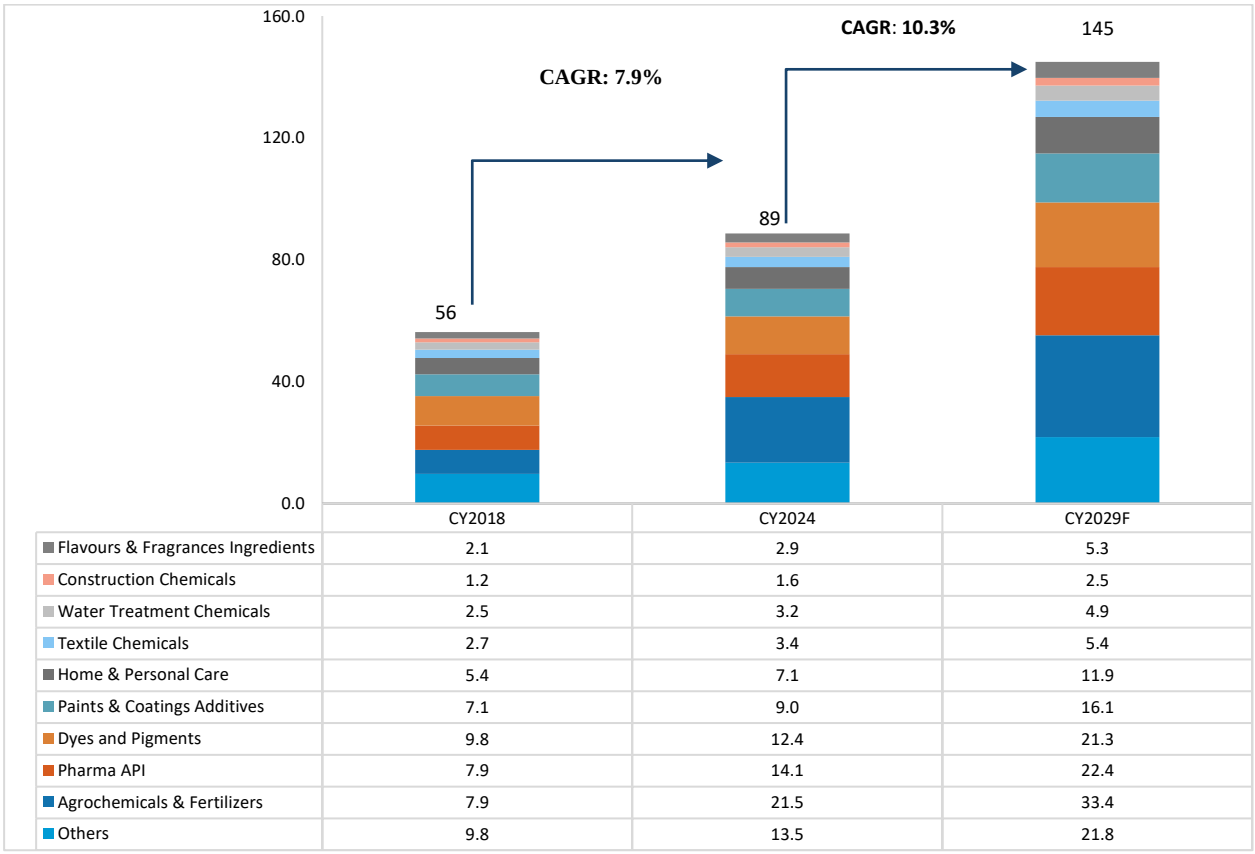
The Specialty Chemicals companies enjoy the strong entry barriers in the form of vendor acquisition, lengthy and complex product approval, registration process, customer loyalty among others. These barriers help the companies to ensure sustainable growth. Further, a distinguished and resilient business model is also a unique driver for these companies. Companies specifically catering to FMCG, HPC and food ingredients enjoy strong entry barriers due to their differentiated models and higher levels of product customization. The level of technical

skill and expertise that is essential for developing in-house innovative processes, undertaking complex chemistries and handling some of the raw materials and intermediates, requires a significant amount of training that can only be achieved over a period of time thereby creating a further entry barrier for new entrants.

2B.2 India Specialty Chemicals Market Segmentation– by Industry and Application Type

Traditionally, low-cost labour and raw material availability were the advantages enjoyed by Indian manufacturing companies. Increasingly, though, specialty chemicals companies are focusing beyond these traditional cost advantages. Product development capabilities have become progressively more important across various segments and differentiate the top and bottom performers.

Figure 2B.2: Indian Specialty Chemicals Market, Value (USD Bn), CY 2018, 2024 and 2029F



	CY2018	CY2024	CY2029F
Flavours & Fragrances Ingredients	2.1	2.9	5.3
Construction Chemicals	1.2	1.6	2.5
Water Treatment Chemicals	2.5	3.2	4.9
Textile Chemicals	2.7	3.4	5.4
Home & Personal Care	5.4	7.1	11.9
Paints & Coatings Additives	7.1	9.0	16.1
Dyes and Pigments	9.8	12.4	21.3
Pharma API	7.9	14.1	22.4
Agrochemicals & Fertilizers	7.9	21.5	33.4
Others	9.8	13.5	21.8

Others include Sealants and Adhesives, Polymer Additives etc. *Source: Frost & Sullivan Research*

Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section.Agrochemical & Fertilizer and Pharmaceuticals API contribute tomore than 55% of the specialty chemical space in India.

Others include Sealants and Adhesives, Polymer Additives etc.

Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section.Agrochemical & Fertilizer and Pharmaceuticals API contribute tomore than 55% of the specialty chemical space in India.

Inclusions:

- Agrochemicals and Fertilizers: Agrochemicals includeorganic fertilizers, liming and acidifying agents (which are designed to change *the pH), soil conditioners, insecticides and pesticides, fungicides, herbicides, and other chemicals like crop-growth regulators. Fertilizers are mainly inorganic compounds of nitrogen like urea or ammonium nitrate, compounds of phosphorous and potassium.*

- *Dyes and Pigments: These are inclusive of Reactive Dyes, Disperse Dyes, Acid Direct Dyes, Azo Dyes, Sulphur Dyes,Solvent Dyes, Vat Dyes, Food Colorants,Organic Pigments, Optical Whitening agents, Inorganic Pigments,Pigment emulsions among others*

- *Construction Chemicals: These ar einclusive of concrete admixtures (plasticizers, accelerators, retarders, air enterainers), waterproofing (bitumen, PVC, silicon, SBR and others), protective coatings (epoxy, PUR, PE, alkyl, acrylic and others), concrete repair mortar (cement based and plaster based), plasters, base coats among others*

- *Paints and Coatings Additives: These are made up of insulating paint additives, powder coating additives, catalysts, wetting agents, levelers, clarifier, coupling agents, deflocculants, thinners, thickeners, anti-caking agents and other chemicals.*

- *Water Treatment Chemicals: These ar emade up of PH neutralizers, algaecides, antifoams (including insoluble oils, silicones, alcohols, stearates and glycols), biocides, boiler water chemicals, coagulants and flocculants, corrosion inhibitors, disinfectants, defoamers among others.*

- *Textile Chemicals: These ar einclusive of coating & sizing agents, colorants & auxiliaries, finishing agents, surfactants, de-sizing agents, bleaching agents among others.*

- *Flavors and Fragrances: Essential Oils (orange, corn mint, eucalyptus, pepper mint, lemon), Oleoresins (paprika, black pepper, turmeric, ginger, others), Aroma chemicals (esters, alcohol, aldehyde, phenol, others), others.*

- *Home & Personal Care Ingredients: These are inclusive of formaldehyde, glycerols, titanium dioxide, isopropyls, alcohols, dimethicone, sodium lauryl sulphate, parabens, tocopherols benzones, oleochemicals, surfactants, polymers, botanical extracts among others.*

Source: Frost & Sullivan Research

5-year growth forecast split by key industries

Segments-India Market	**Agrochemicals & Fertilizers**	**Pharma Ingredients (API)**	**Construction Chemicals**	**Paints & Coatings Additives**	**Water Treatment Chemicals**	**Textile Chemicals**	**F&F Ingredients**	**Home Care and Personal Care Ingredients**	**Dyes & Pigments**
(CY 2024-29 CAGR)	9.2%	9.7%	9.3%	12.4%	9.3%	9.7%	12.7%	10.8%	11.4%

2B.3 India’s Opportunity in Specialty Chemicals

India’s chemical industry is one of the most diversified globally, and the specialty chemicals segment represents a significant growth area. With the global shift towards sustainability, technological advancements, and changing market dynamics, India is uniquely positioned to capitalize on these opportunities.

Comparison of India with others

- **Low operating costs:** India's operating costs are significantly lower compared to developed countries, providing a competitive advantage in manufacturing. Labour cost in India was around USD 1.00 / hour while it was USD 5.00 / hour in China in CY2024.
- **Skilled labour:** Skilled researchers and scientists contribute to innovative product development and process improvements.
- **Utilities and infrastructure:** India has been making significant strides in improving its utilities and infrastructure, which are critical for the specialty chemicals industry. Improvements in the energy sector ensure a stable and reliable power supply to industrial units.
- **Capital costs:** India offers several financial incentives and a favourable investment climate that reduce capital costs for setting up and expanding specialty chemical operations i.e. various subsidies and grants, tax incentives and exemptions and liberalized FDI policies under the PLI schemes and also funding support (capital costs) to specifically to MSMEs
- **Intellectual property rights:** India has strengthened its IPR regime to provide better protection and enforcement, encouraging innovation and investment in the specialty chemicals sector. Robust patent laws (e.g. Patents (Amendment) Rules, 2021) protect innovations and proprietary technologies. Effective enforcement mechanisms deter infringement and provide legal recourse for violations. India's compliance with the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement aligns its IPR standards with global norms.

2B.4 India the next chemical manufacturing hub

The COVID-19 pandemic exposed vulnerabilities in global supply chains, particularly the heavy reliance on China for specialty chemicals. Lockdowns, factory shutdowns, and logistical challenges in China led to supply shortages and increased prices worldwide. Companies across the globe started adopting the "China+1" strategy to mitigate risks associated with over-dependence on China. India emerged as a favourable alternative due to its growing manufacturing capabilities, strategic location, and government support.

The US-China Trade war led specialty chemical players to look beyond China as a raw material supplier and manufacturing hub. In order to reduce the risk in their supply chains, global companies are concentrating on a China+1 approach. Because of its cost advantage over China and its supportive laws and reforms, including the enabling of 100 % FDI in the chemical industry, India is uniquely positioned to gain from the shift away from China.

Indian chemicals sector is set for rapid growth, with specialty chemicals expected to be the most lucrative segment. India attracts investment as companies diversify away from China. Chemical industry revenue has been growing at an average rate of 15% in the last 5 years. The Indian chemicals sector stands out as one of the most rapidly advancing industries globally.

Production Linked Incentive (PLI) scheme

The Production Linked Incentive (PLI) scheme is a government program that aims to boost manufacturing. The scheme is intended to help reduce India's dependence on imports and promote the Make in India initiative.

Benefits of the PLI scheme

- The PLI scheme can help reduce India's dependence on imports.
- The PLI scheme can help promote the Make in India initiative.

PLI Scheme for chemicals sector: Chemicals sector was not initially covered as part of PLI scheme; however, the government is considering extending the PLI scheme for chemicals and petrochemical sector. Seven sectors are anticipated to get ₹35,000 crore in next round of PLI. Among the seven sectors, five sectors likely to be included are toys, bicycles, leather & footwear, critical intermediates for chemicals, and containers. The PLI Scheme for

chemicals will be focused on agrochemical intermediates, pharmaceutical intermediates, dyes, and multiple-use chemicals, to increase the cost competitiveness of manufacturers. Though this was announced in 2023, there is a delay in the PLI scheme for chemicals mainly due to complexities in defining eligible chemicals, apprehensions about potential environmental impacts, and the need for vigorous regulatory frameworks to ensure proper implementation

India aims to triple its present petrochemicals capacity by FY 2040. Approximately ₹10,000 crore will be pumped into the petrochemicals industry to meet this capacity expectation. The Indian chemicals and petrochemicals industry serves as a building block for other industries such as paints and pigments, varnishes, pulp and paper, soaps and detergents, pharmaceuticals, and textiles among others.

2B.5 India – Racing Ahead of China

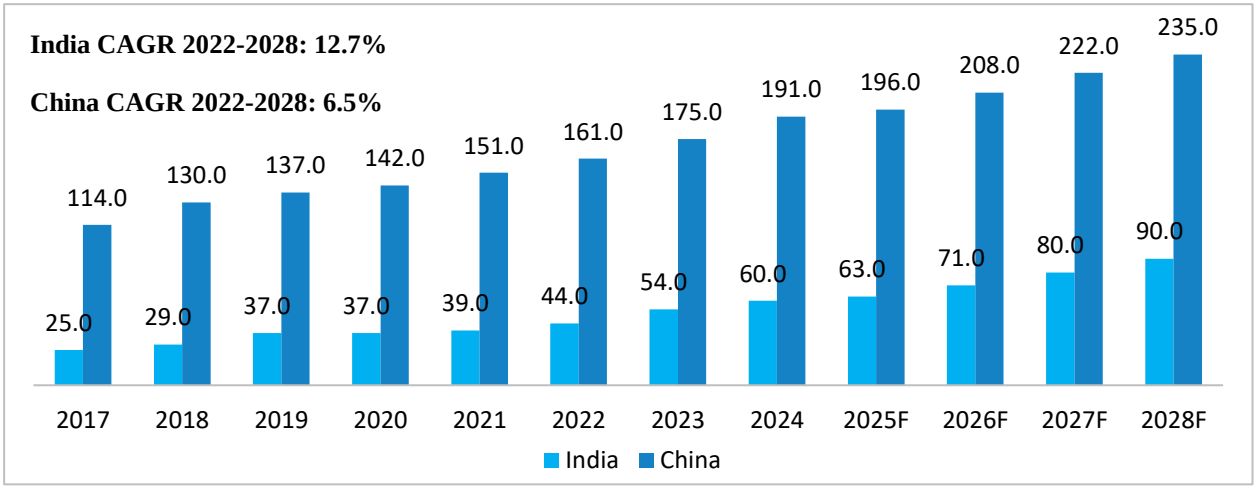
China's specialty chemicals market has seen a downturn in recent years due to various factors. Most prominent amongst these are the environmental norms introduced by the Chinese government couple of years ago, which have led to shutdown of a number of chemical plants starting a decade back.

The Chinese government started implementing stricter environmental protection norms from January 2015. With the focus on controlling pollution, the Chinese Ministry of Environmental Protection enforced strict penalties on polluting industries, including chemicals. Some of the major steps taken were:

- Shift towards gas-based power plants from coal-based ones
- Implementation of strict penalties for noncompliance
- Construction of compulsory effluent treatment plants
- Mandatory for all polluting industries to operate from industrial clusters away from habitat
- Small to mid-size chemicals plants to relocate by the end of CY 2020
- All larger plants must relocate by the end of CY 2025 and start the process by no later than CY 2020
- Taxes to be levied on polluting industries based on pollution type, location and severity

As a result of all of the above, the Chinese chemical companies witnessed a rise in capex and opex costs, making them less competitive in the export market. In CY 2017, an estimated 40% of the chemical manufacturing capacity in China was temporarily shut down for safety inspections, with over 80,000 manufacturing units charged and fined for breaching emission limits. However this trend changed later, post-Covid the chemical companies have upgraded their facilities and met government standards. China's chemical industry is spending large amounts on R&D. China is more focusing on new chemicals for new applications, including in batteries, semiconductors, and solar panels, with strong government support. On the other side, India has not been able to grow its domestic production of chemicals at a similar scale. Owing to this India's dependence on China for chemicals have not reduced. India's chemical imports from China has surged to around $ 15.5 billion in April - January 2024 from $ 11.3 billion in April-January 2020-21. This shows that China's exports to India is continuously increasing. China is dumping high volume of chemicals in India. Following this India has imposed anti-dumping on 6 products from China, including chemicals and electrical steel, following complaints from domestic players.

Figure 2B.3: Chemicals Exports Trend – India vs China (USD Bn)



Source: World Bank, Frost & Sullivan Research

- *Note: The forecasted data is not published by World Bank; it has been calculated considering the same CAGRs for both the countries.The actual CAGR for India and China respectively for the period 2015-2019 stood at around 13% and 7%; as World Bankdoes not forecast the export trends, the same CAGR (13% for India and 7% for China) has been considered for the forecast period 2024-2029.*

The domestic chemicals industry in China is also witnessing a slowdown, as a result of slower economic growth. China's economic growth is expected to slow down further in the coming years, thus resulting in reduced domestic demand and several plants shutting down in the last three years. This has also resulted in China's overall exports of chemicals growing at a slower rate than India. **There is an ample replaceable export market for India to capitalize on and weave a strong growth story for chemicals – led by Specialty chemicals.**

Several global players prefer a "China + 1 offshore strategy", with capacities shifting to cost efficient markets with strong technology capabilities like India. Stringent environmental regulations and increased cost of labor have already stifled growth in China, which contributes 35-40% to the global chemical industry. The pandemic has compounded the situation further as companies across the world are looking for alternate supply solutions. Japan's announcement to offer incentives to companies shifting base from China to India further proves the desperation engulfing countries to reduce dependence on China and develop local supply chains. JVs/ Technology transfers will drive the knowledge wave for the Indian industry, given stronger IP protection rights. The spillover impact of China's declining competitiveness has set the stage for India to intensify its effort to capture larger market share.

Indian companies are still experiencing wave of bigger orders from Global companies who previously used to purchase from Chinese counterparts. Many customers have been dependent on China for a long time, and they are looking for an alternative and India is their preferred choice. Many small and large companies are experiencing surge in demand form global companies who are shifting their source from China to India.

China has rolled out new norms for the Chinese manufacturing companies. The companies are upgrading themselves and changing their operations to adhere to the new norms which will result into Chinese chemicals entering the market again. However, it would be at a significantly higher cost of production as compared to previous low-cost chemicals as they would include the significant investment they have made in environmentally compliant equipment and manufacturing practices. India, in the meantime, would have significantly strengthened its position in the global supply chain and would be a very viable alternative for global players looking to de-risk their supply chain, while retaining their sourcing costs. Pharmaceuticals and agrochemicals are some of the key sectors that are particularly set to benefit from this shift in dynamics, wherein the Chinese manufacturers continue to operate at lower capacity levels, given the increased monitoring of safety standards and compliance norms.

Labour represents one of the main costs of manufacturing goods. And importers have watched China's labour costs soar in recent decades, often growing by 10-15% annually.

The powering trend of de-risking of input procurement from China by global chemical leaders offers great export as well as domestic sales opportunity for Indian specialty chemical industry.

Lower Corporate Tax Rate - India is taking initiatives to boost manufacturing sector. To encourage investment in the manufacturing sector, the Indian government has taken proactive steps, including offering competitive tax rates.

Improvement of Feedstock availability - Government has encouraged companies to set up capacities in petroleum, chemicals, and petroleum investment regions (PCPIR) by demarcating special zones to aggregate feedstock demand. PCPIRs are expected to boost chemicals manufacturing, to the extent that it is sufficient to meet domestic as well as export demand.

2C.1 The Fluorine Industry dynamics

Fluorochemicals are chemicals containing fluorine as an element are one of the most critical classes of chemicals that are used across applications. Fluorine compounds and derivatives hold prominent place in the industry owing to its widespread applications in IT, electronics, agrochemicals, pharmaceuticals, and medical industry. Additionally, Fluorine chemistry is based on eight decades of history that plays an important role in minimization of environmental impact. Recent development of direct fluorination with elemental fluorine is used to prepare a variety of materials that are economically important. Some of the key fluorine technologies used are fluorinations with F2, C = O to CF2 transformations as well as C–OH to C – F transformations and asymmetric fluorinations. Fluorination process can be carried out in both gas phase and liquid phase.

On a broad level fluorochemicals can be classified as Fluorocarbons (Refrigerants), Fluorpolymers, Basic inorganics and Fluorine based intermediates.

Fluoropolymers are widely used across the automotive, aircraft, semiconductor, and household appliances. It is an excellent solvent with acids and base resistance, and superior electric properties and non-adhesiveness. Rising application in the healthcare industry for medical implants due to its biocompatibility is expected to drive the market demand in the future. Fluoropolymers can be classified as a family of plastic resins based on fluorine/carbon bonding. They are strong, light weight and durable. They are far more resistant to chemical attack than conventional chlorinated and hydrocarbon polymers.Fluorine based intermediates segment comprises of both basic and advanced intermediates that go into applications of Pharmaceuticals, Agrochemicals, Speciality additives etc. They have both Organic and Inorganic products that go into various applications as intermediates. Organic have a relatively higher share as intermediates and are used in especially pharmaceuticals and agrochemicals applications, these are complex in nature. On a broad level it can be estimated that organic fluorine intermediates are over 85% of the total market.

Since Fluorination chemistry is difficult to master, only a handful of Global and Domestic players can cater to the demands of this market. There are high level entry barriers as stated below, restricting addition of any new entrants.

Fluorine handling: The key barrier to entry into the fluorine industry is the ability to produce and, to handle, store and transport fluorine and its precursor, hydrogen fluoride/ Hydrofluoric acid (HF). They are extraordinarily difficult and are considered immensely hazardous substances. HF is highly corrosive and also can dissolve glass.The reactions of fluorine are highly exothermic, and due to its reactivity, materials of construction and continuous monitoring are of critical importance for safe operation. On contact with human skin, HF diffuses through the skin and precipitates and inactivates biological calcium and magnesium subcutaneously, causing tissue necrosis.

NFIL was established in 1967 and has been successfully handling fluorination since then. Over the years capability and experience has been built to handle production and supply of fluorine based products efficiently and seamlessly.NFIL operates one of the largest fluorination facilities in India and is one of India's largest manufacturers of anhydrous hydrofluoric acid (AHF) and diluted hydrofluoric acid. The company is also one the

largest producers of inorganic fluorides such as ammonium bi-fluoride, potassium fluoride, sodium fluoride etc and has a significant market share in each of these products. Company's facility is amongst the largest fluorination facilities in India

Complex chemistry and R&D requirements: There are over 1000+ commercial agrochemicals and pharmaceuticals that contain fluorine and many more in the pipeline. These require high end research to continuously develop most suitable fluorine intermediate source and/or process efficiency and yield improvements. The possibility of such research is limited to companies that have a thorough understanding of fluorine chemistry and efficiently handle fluorine and thus the developed product at a commercial scale. Unlike other chemistries the requirement spend on Research & Development in terms of time and scale is very high and thus not many small or medium scale enterprises have been able to sustain in the market nor many competitive new entrants have emerged in the recent past.

NFIL has proprietary R&D and process technology capacities for fluorine chemistry, and multi-year customer engagements. The fluorination capabilities include catalytic, non-catalytic, gas phase, and liquid phase fluorination using HF. Other specialised fluorination reactions include Balz- Schiemann, Schiemann and Swarts. Safe handlings of HF and Halogen exchange are NFIL's niche capabilities.

NFIL has a wholly owned subsidiary based out of United Kingdom, Manchester Organics (MOL), which is a global leader in fluorination and high-pressure chemistry, research, and manufacturing

NFIL also boasts expertise in high pressure chemistry, vapor phase chemistry such as alkylation, ammoxidation, chlorination, fluorination, oxidation, hydrolysis, and diazotization. Expertise in chemistries including Friedel-Crafts, Bromination, Chlorination, Nitration, Sulfonation, Desulphonamidation, Halogen exchange, and Organometallics.

Long term Contracts: Considering the above scenario and the limited number of companies in the space, most of the business of fluorine industry is through long term contracts. Either the company supplying fluorine based product sells just the commodity to a contract manufacturer with good handling abilities or the most common approach has been- the company supplying the fluorine based product would get associated with the product development team of the innovator companies from inception of the development process and be part of the supply chain for over 10-15 years , sometimes even more. Hence the industry especially in case of speciality intermediates and innovative products are contract driven and thus customer access is restricted for any new entrant.

In 2022, NFIL entered a US$ 410 million contract with Honeywell for the manufacture and supply of a High-Performance Product in the fluorochemical space (Hydrofluroolefins). The company is investing INR 365 Cr for the dedicated manufacturing and INR 71 Cr for a captive power plant.The product is not part of existing NFIL's portfolio and will offer a new set of opportunities for application of fluorine in a completely new vertical. With this product, NFIL becomes the only manufacturer of HFO in India.

NFIL mainly has international pharma innovators as its customers. The company received purchase order of US$16 million for late – stage clinical trial, which will be commissioned in Q2CY23 and Q3CY23. Two new plants for speciality chemicals in Dahej scheduled to start in Q3FY23. The company also intends to go beyond just fluorination for pharma's CDMO. In this reagrd, it has signed a contract with Fermion (non-exclusive) for three patented late stage molecules; commercial supply will start in CY25.

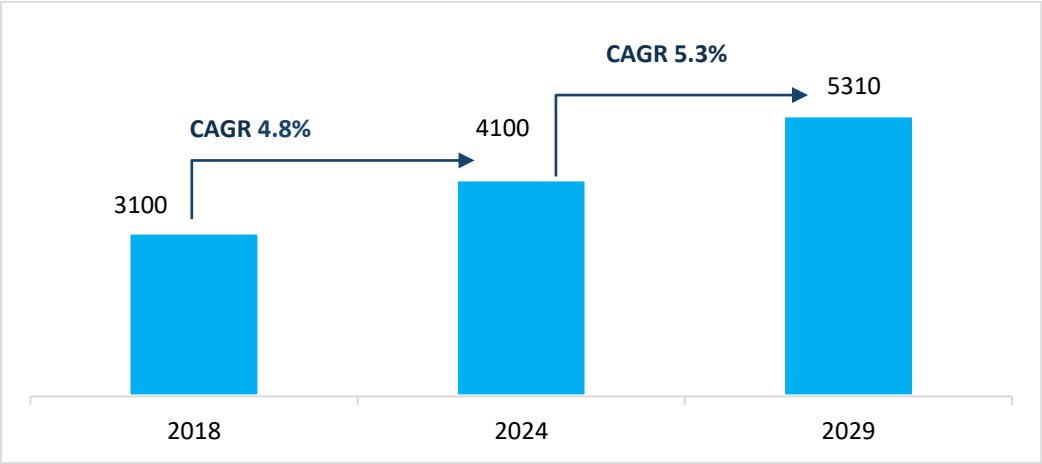
NFIL's extensive expertise and experience has enabled us to showcase many 'firsts' in this field including being the being the first and only producer of hydro flouro-olefins in India, being one of the world's largest manufacturer of BF3 gas, being the first Indian company to produce the R22 gas and the only Indian company manufacturing SF4.

3A.1 Global Refrigerant Gas Market Overview

The global refrigerant gas market demand was 4,100 KT in 2024 by volume and ~ US$ 26 Bn in 2024 – with Asia Pacific accounting for the major market share in the segment followed by North America and the European Union. The global refrigerant gas market is expected to reach ~ US$ 35 Bn by 2029. India accounts for ~ 3-4% in the global refrigerant gas market.

In accordance with the Montreal Protocol, by 1996 and 2010 all CFCs were phased out in developed and developing countries respectively.

Exhibit 3A.1: Global Refrigerant Gas Market, 2018, 2024, 2029F, KT



By type, the global refrigerant gas market can be segmented as fluorocarbon and non-fluorocarbon type refrigerant gases.

Exhibit: 3A.2 Global Refrigerant Gas Market by Type, 2024

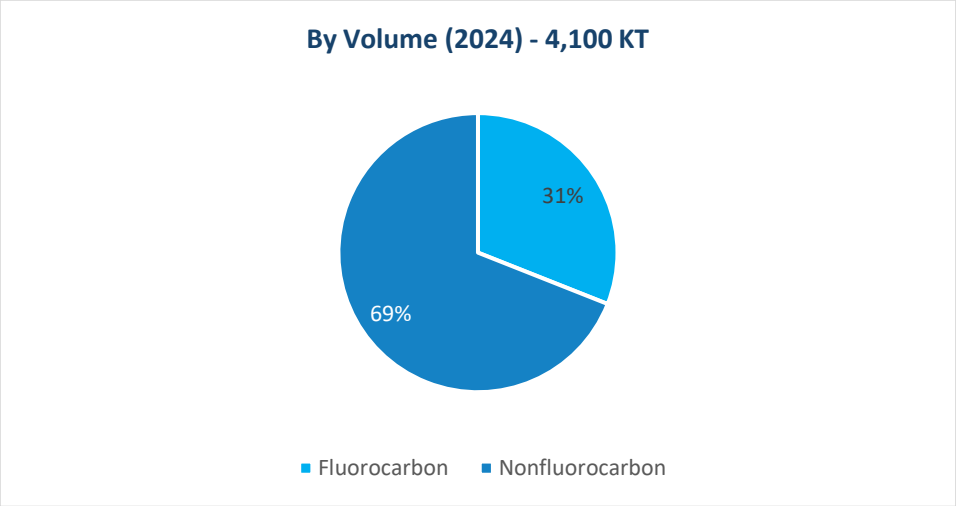
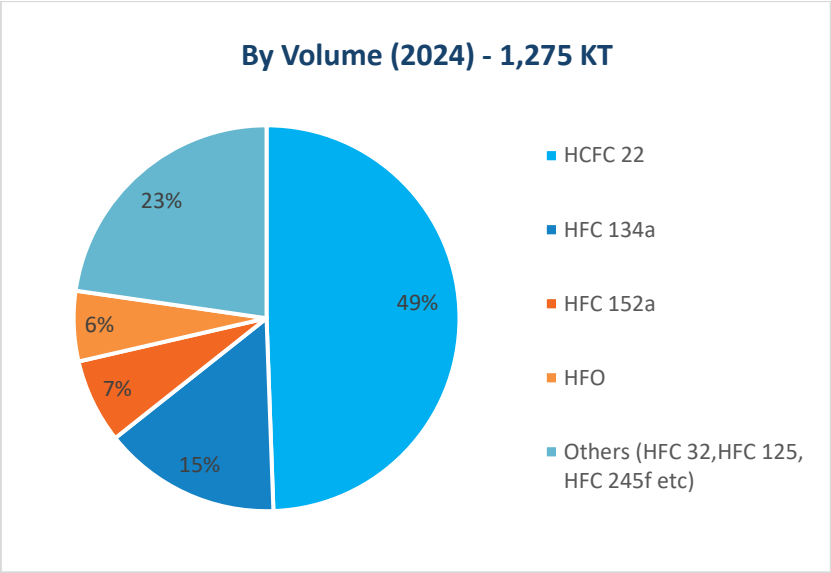
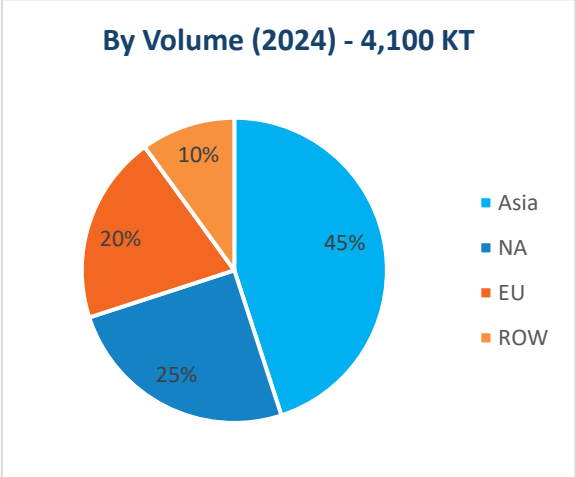


Exhibit 3A.3: Global Fluorocarbon Refrigerant Gas Market by Product Type, 2024



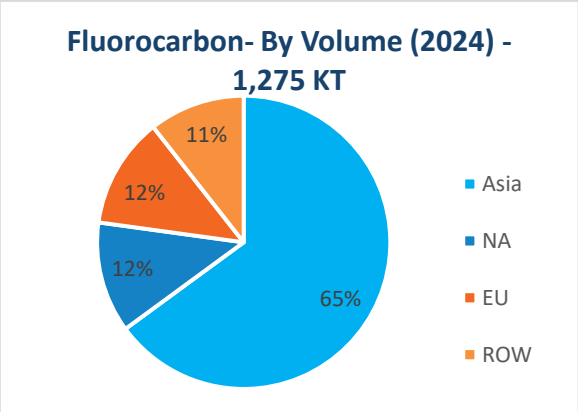
The common fluorocarbons used are HCFC 22, HFC 134a, HFC 32 and blends. In 2024, the demand for fluorocarbon based refrigerant gases was 1,275 KT by volume and ~ US$ 7.7 Bn by value, and the demand for non-fluorocarbon refrigerant gas was 2,825 KT by volume and ~US$ 18 Bn by value. The fluorocarbon refrigerant gas market is expected to reach US$ 8.3 Bn by 2029, growing at CAGR of 1.5% by value.

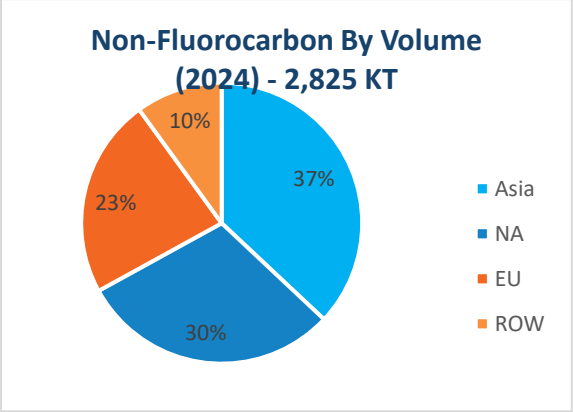
Exhibit 3A.4: Global Refrigerant Gas Market by Geography, 2024



Asia dominates the overall refrigerants market in 2024 with a 45% share. U.S.-based companies have been the leaders in intellectual property and production of advanced refrigerants. Production of conventional refrigerants has been dominated by China. Strategic partnerships amongst major Western chemical companies and Chinese manufacturers are now common in the refrigerant industry, which has resulted in a transition towards HFO based refrigerants.

Exhibit 3A.5: Global Fluorocarbon Refrigerant Market by Geography, 2024





Asia Pacific holds the largest share of the refrigerant gas market in 2024, with 65% share and volume demand for fluorocarbons with ~ 830 KT followed by North America and European Union with each holding a share of 12% and a demand of 156 KT. The major factors that are driving the Asian refrigerant gas market is the increasing demand from domestic and industrial refrigeration system. Furthermore, the growing pharmaceutical industry is driving the demand for refrigerant gases market in the region.

In 2024, China introduced a limit on refrigerants, following the agreement in the Kigali Amendment. This has led to a significant increase in refrigerant prices, as the available quantity of fluorinated gases is limited, as demand continued to sustain at same level. According to data from China Chemical Market Insights, the price of R134a has increased by more than 50%. Despite having a lower GWP, the highly demanded refrigerant R32 saw its price nearly triple, as it is a popular alternative in air conditioning and heat pump systems replacing R410A. While China is set to reduce the proportion of fluorinated substances to 90% of current levels by 2029, a continuous price increases on all regulated refrigerants—especially those with high demand is expected during the forecast period.

2025 is when the EPA's Technology Transitions Program will restrict the use of climate-damaging hydrofluorocarbons (HFCs) in various sectors. US will need to work with a refrigerant that has a GWP of 700 or less and hence that R134a will no longer be an option for this market.

In 2025, it is expected that fluorinated gases (i.e., refrigerants) will be reviewed by the ECHA's Committee for Risk Assessment (RAC) and Committee for Socio-Economic Analysis (SEAC). No concrete date has been announced, but it is unlikely that this will occur before Q3/Q4 2025.(*Source: tagesschau.de*)

Application of Refrigerant Gas

Stationary Air Conditioners:HFC-410A is the primary HFC-based refrigerant used in this subsector. Other HFCs used in this subsector are HFC- 32 for the residential AC sector and HFC-407C in the commercial AC sector. There is growing though limited usage of HC-290 (propane) in small Air Conditioners. Godrej produces air conditioners that uses propane, however the flammability aspects associated with it does not allow it to be used in large units. In addition, this sector includes chillers, from small/medium-sized scroll and screw chillers that typically use HFC-410A, to large centrifugal chillers that use HFC-134a. In recent years, hydrofluoroolefins (HFOs) have started to be used in large centrifugal chillers in non-A5 countries.

Mobile Air Conditioners (MAC): In developing countries, HFC-134a is the dominant refrigerant used for mobile air conditioners, while in developed countries HFO-1234yf has become the dominant refrigerant for new equipment. The MAC sector includes air conditioning systems in buses, cars, light- and heavy-duty trucks and coaches on railways.

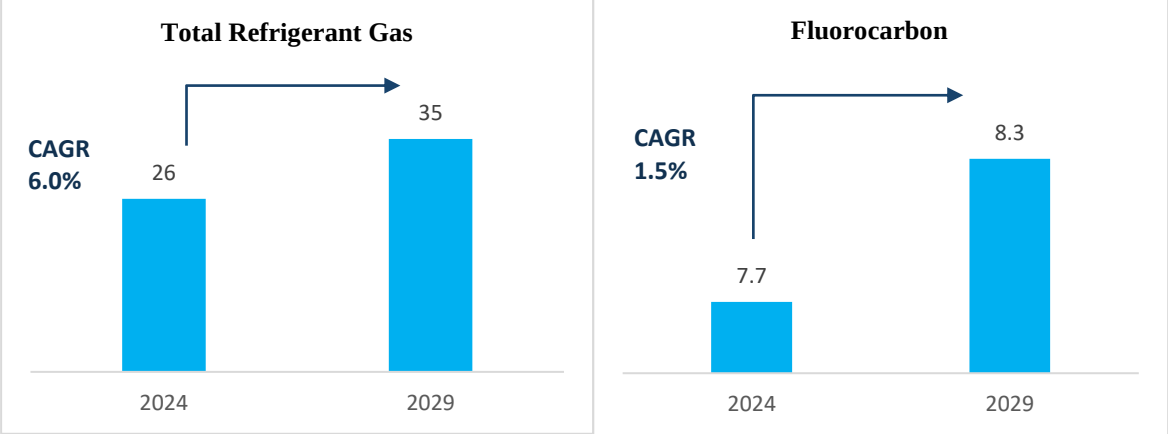
Industrial and commercial refrigeration: HFC-134a is the dominant refrigerant used for stand-alone units, although there is also some use of HFC-404A in low-temperature stand-alone appliances. HFC-404A and, to a lesser extent, HFC-507A are the primary refrigerants used for condensing and centralized systems. Refrigeration units associated with trucks, trailers, reefer containers, fishing vessels and cargo ships use HFC-404A and HFC-134a as key refrigerants. HFC-134 is the most widely used HFC refrigerant for domestic refrigerators. HC-600a is the alternate used.

Foam Blowing: Under foam blowing application, the largest application share is held by Polyurethane – Rigid foam blowing with over 65% of the consumption. However, except for certain grades of foams that require better performance attributes, hydrocarbon and CO2 technology are more preferred due to their low cost, availability, and regulation aspects.

As of 2022, over 55% of the demand of fluorocarbons was to service the aftermarket. Metered Dose Inhalers (MDI) for asthma is one the prominent growing application for fluorocarbon aerosols.

3A.2 Key Growth Factors and CAGR

Exhibit: 3A.6 Global Market Forecast, 2024,2029, US$ Bn



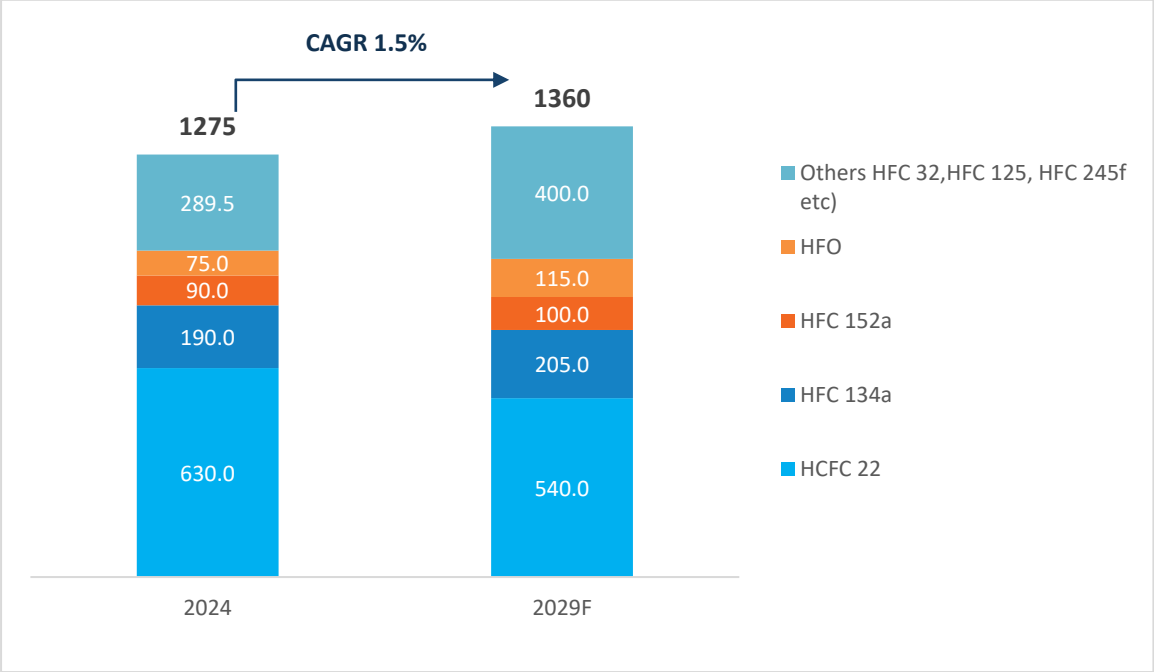
The global refrigerant gas market is expected to grow at a CAGR of 6.0% during the forecast period (2024-29) to reach USD 35 Bn in 2029, however the growth in fluorocarbon refrigerant is only about 1.5% resulting from the various usage-based restrictions and regulations for the products due to environmental concerns. The Asia Pacific region is anticipated to grow at the fastest rate of 6.2% during the forecast period by value terms.

The major factors that are driving the global refrigerant gas market include expansion of the global cold chain which includes perishable, and temperature sensitive goods. The cold chain includes refrigerant truck systems, trailers and containers that use refrigerant gases for refrigeration to keep perishable food stuffs and drugs fresh. Commonly used refrigerants across the cold chain are HFC 134 A, HFC 1234 yf, HFC 404 A, HFC 410 A.

The usage of refrigerant gases is also expected to grow because of the growth of the pharmaceutical industry in developing countries like India, China, and Brazil. The pharmaceutical industry requires low temperatures for the storage and transport of drugs. Commonly used refrigerants for pharmaceutical applications globally are HFC 124ze and HFC 134 A.

The growing concerns over climate change is driving the market towards lower GWP, natural refrigerants.

Exhibit 3A.7: Global Fluorocarbon Refrigerant Market Forecast 2024-2029, KT



- *Source: Frost & Sullivan*

HCFC 22 will see a decline in volume owing to the Montreal protocol bans and quotas over the forecast period. Out of the 540 KT of estimated HCFC demand in 2029, about 525 KT is expected to be for non-emissive use. Usage of HFC's will also be impacted by the Kigali amendment and local regulatory restrictions in the European and North American markets and hence will see a lower growth rate. Highest growth is expected in the HFO category with a CAGR of 5.3% over the forecast period.

3A.3 Leading Global Players

Some of the leading players in the global refrigerant gas market include Daikin, Honeywell, Shandong Dongyue, Arkema, SRF Ltd etc.

Refrigerant Gas Product Portfolio of Leading Companies

Company Name	HFC Refrigerants	HCFC Refrigerants	HFC Blends	HFOs and HFO blends
Daikin	HFC-32, HFC-134a, HFC-23	HCFC-22	R-407H, R-448A, R-407C, R-404A, R-410A	
Honeywell	R-134a, R-123, R-124, R-23	HCFC-22	R-407F, R-422D, R-404A, R-407C, R507A, R-402A, R-402B, R-401A, R-401B, R-408A, R409A, R-410A, R-500, R-502, R-508B	HFOs: R-1234yf, HFC-1234ze, R-1233zd HFO Blends: R-417A, R-455A, R-454B, R-448A, R-515B, R-513A, R-454C, R-452A
Arkema	HFC-32	HCFC-22	R-134A, R-404A, R-407A, R-407C, R-410A, R-427A, R-449, R-507A	R-1233zd

3A.4 Key Entry barriers : Fluorocarbons

Like most fluorine related compounds there are many entry barriers involved with fluorocarbon production and hence not many companies operate in the market. even though many of the products have been already commoditized and old.

Fluorine handling: Fluorination reactions are generally highly reactive, corrosive, and toxic, requiring specialized equipment and much care and thus not all companies can handle the required processes efficiently. NFIL has been in the business since 1967.

Regulations and restrictions on usage of fluorocarbons: Due to various environmental impacts including the Ozone depletion and Global Warming caused due to the usage of fluorocarbons they are restricted or banned across the globe. New generations and alternatives are being used based on the phase out timelines and thus investments in such business is restricted to few companies who can evolve with the changing landscape. HCFC 22 and HFC 32 are currently regulated for use with HCFC 22 completely banned across the world for emissive use other than after markets. HFC 32 is still a high growth potential option due to its zero ODP and low GWP. NFIL's R32 production is expected to start from Q1FY24. The company is also looking at backward integration into chloromethane

IP/patent for new age products: Most of the new generation fluorocarbons are highly guarded technologies by innovator companies and not many have access to them unless there is a strategic partnership with some companies.In 2022, NFIL entered a US$ 410 million contract with Honeywell for the manufacture and supply of a High-Performance Product in the fluorochemical space (Hydrofluroolefins- HFOs) the new age fluorocarbon refrigerant. NFIL is the only domestic manufacturer of HFOs as of 2022-2023.

3A.5 Regulations involving Fluorocarbons

Owing to the impact of the usage of CFC's and HCFC's on the ozone layer and its potential as a global warming agent, new products and regulations are constantly being developed. Many of them, though are favorable to ozone, have a high global warming potential and hence are being replaced by amendment of acts. The acts include Montreal Protocol and the Kigali Agreement.

The Montreal Protocol is a global agreement to protect the Earth's ozone layer by phasing out the chemicals that deplete it. The protocol mandated the reduction in usage and a complete ban on substances that deplete the ozone layer. This phase-out plan applies to both the production and consumption of ozone-depleting substances – HCFCs and CFCS. The Montreal Protocol agreement was signed in 1987 and entered into force in 1989. Since then, the parties have adjusted or amended the protocol six times.

As per the Montreal Protocol, developed countries have been reducing their consumption of HCFCs and would completely have phased them out by 2020, while developing countries started the phase out of HCFCs in 2013 and are following a stepwise reduction until a complete phase out by 2030.

The current schedule for developing counties requires cutting of national consumption (domestic HCFC production, plus imports and minus exports) by 10 percent by 2015, 35 percent by 2020, 67.5 percent by 2025, and 97.5 percent by 2030, with consumption after 2030 restricted to servicing of refrigeration and air-conditioning equipment. However, with stewardship towards completely stopping the usage of HCFC 22 in many countries a complete change over to alternatives was done much before schedules.

The most recent amendment, the Kigali Amendment, called for a complete phase out of HydroFluoro Carbons (HFCs) in 2016.Although HFCs do not deplete the ozone layer like HCFCs and CFCs, they are powerful greenhouse gasses and hence contribute to climate change.

The Kigali Amendment agreed upon by the world nations to phase down the usage of HFCs was signed in 2016. Under the Kigali Amendment, the goal is to achieve a gradual phase-down of HFC consumption and production, up to an 85% reduction in non-Article 5 countries (developed countries) by 2036, and 80% reduction in Group 1 Article 5 countries (developing countries) by 2045 and an 85% reduction in Group 2 Article 5 countries by 2047. By the end of this century, full compliance with the Kigali Amendment is estimated to avoid 0.2°C-0.4°C additional warming.

The revised F-gas regulation (EU) 2024/573, which came into force across Europe in March 2024, aims to further reduce the consumption of hydrofluorocarbons (HFCs) in Europe, through a stricter phase-down plan than the Kigali Amendment. Companies supplying to the region have quotas in place.

American Innovation and Manufacturing Act (AIM) Act

The AIM act was enacted in December 2020. The act authorises the Environmental Protection Agency (EPA) of the United States for the phasedown of production and consumption and management of HFCs and facilitate the transition to the next generation technologies through sector-based restrictions.

Non-A5 parties- refers to developed countries and A5 parties refer to developing countries.

Group 1 countries timeline and AIM Act

Phase-down schedule for HFCs	Kigali Amendment: Non-A5 Parties: Group 1	American Innovation and Manufacturing (AIM) Act
Baseline Years	Average HFC consumption for 2011-2013 + 15% of HCFC baseline	Average HFC production & consumption for 2011-2013 + 15% of 1989 HCFC Production & Consumption +0.42% of 1989 CFC production & Consumption*
Freeze Year		
Step 1	2019: 10%	2022: 10%
Step 2	2024: 40%	2024: 40%
Step 3	2029: 70%	2029: 70%
Step 4	2034: 80%	2034: 80%
Step 5		
Final Step	2036: 85%	2036: 85%

Group 2: India Timeline

Phase-down schedule for HFCs	Kigali Amendment: A5 Parties: Group 2	India
Baseline Years	Average HFC consumption for 2024-2026 + 65% of HCFC baseline	Yet to be defined – however, expected to be in-line with the Kigali Amendment –i.e., Average HFC consumption for 2024-2026 + 65% of HCFC baseline
Freeze Year	2028	2028
Step 1	2032: 10%	2032: 10%
Step 2	2037: 20%	2037: 20%
Step 3	2042: 30%	2042: 30%
Final Step	2047: 85%	2047: 85%

3A.6 India Refrigerant Gas Market Overview

The market for refrigerant gas in India was estimated to be around 170KT for the year 2024 in terms of volume and ~US$ 730 Mn by value in 2024. The Indian refrigerant gas market is forecasted to grow at a CAGR of 9.5% by value during the forecast period 2024- 2029 to reach a demand of ~270KT by volume.

The major factors driving the growth of refrigerant gas market in India are growth of the domestic refrigeration demand because of urbanization and the rising middle class. The other factor driving the refrigerant gas market of

India is the growth of the cold chain market. The cold chain market is expected to grow because of the growth of the organized food retail sector and increasing demand for processed foods. The government of India has also announced establishing of mega food parks, which will drive the use of refrigerant gases in this sector. Shift and adoption of lower GWP refrigerant gases like R-32 and R-290 are trends in the Indian refrigerant gas market.

Exhibit 3A.8: Indian Refrigerant Gas Market, 2018, 2024, 2029F, KT

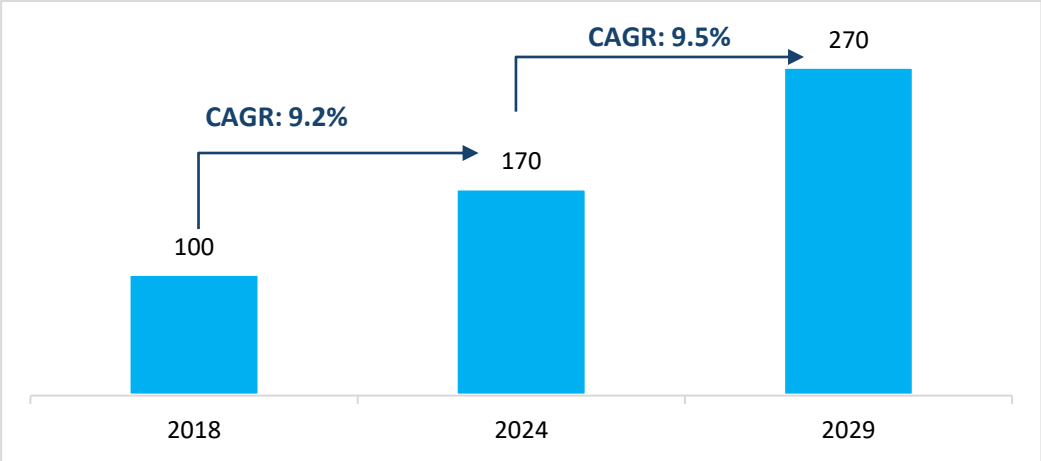
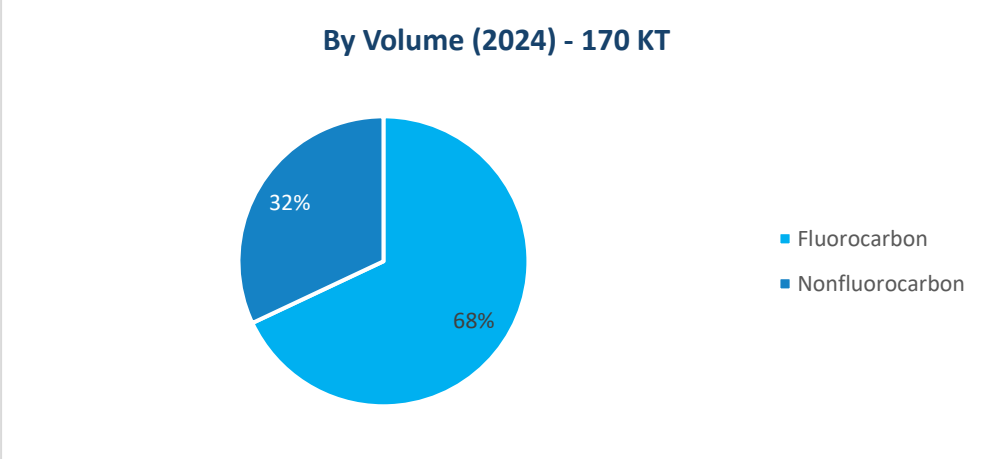


Exhibit 3A.9: India Refrigerant Gas Market by Type, 2024



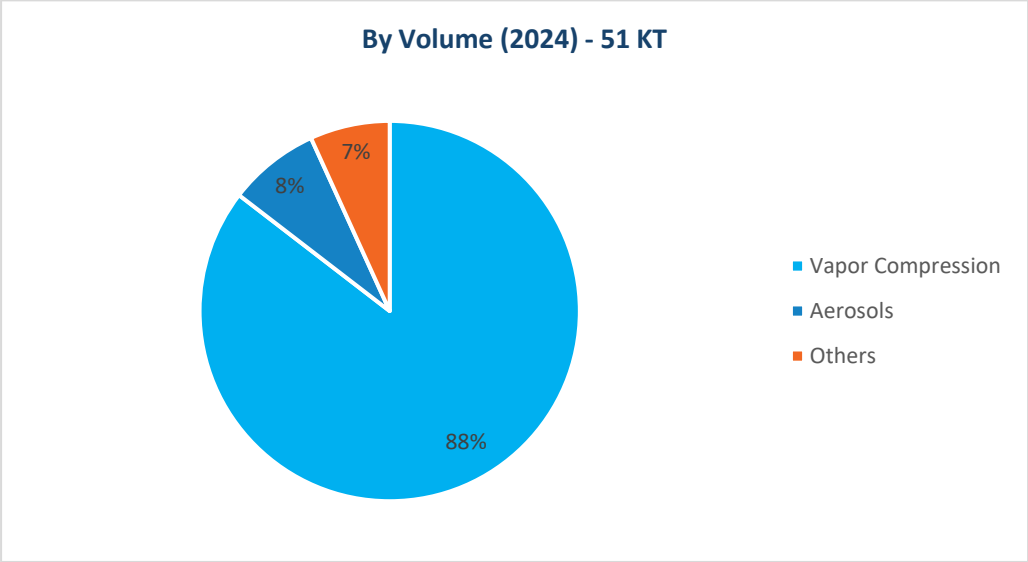
The demand for fluorocarbon based refrigerant gas market in India was 116 KT in 2024 and by value at ~US$ 495 Mn, and it is projected to grow at a CAGR of 3.8% during the 2024-29 to reach a demand of 140 KT.

Fluorocarbon usage in refrigeration still dominate the market in India unlike global trends with 68% of the demand. The substitution also is intra fluorocarbon rather other non-fluorinated products.For example, HFC 32 is a preferred alternative for the air conditioning OEMs to substitute the phasing out of HCFC 22. HFC 404a blend is being used as a substitute to HCFC 22 in low and medium temperature refrigeration applications. The market for HCFC 22 refrigerant gas in value terms was estimated to be around US$ 260-270 Mn in 2024.

By application, the Indian fluorocarbon based refrigerant gas market can be segmented into emissive use, and non-emissive use. The emissive use of fluorocarbon refrigerants includes vapor compression, aerosols, and other applications. While the non-emissive use includes chemical synthesis of compounds such as Poly Tri Fluoro Ethylene (PTFE). In 2024, the use for emissive application was 51 KT, while for non-emissive use was ~65 KT.

The demand for fluorocarbon refrigerant gas in India for vapor compression during 2024 was 43 KT accounting for 84% share of the emissive market, followed by aerosols at 4 KT, holding a market share of 9%.

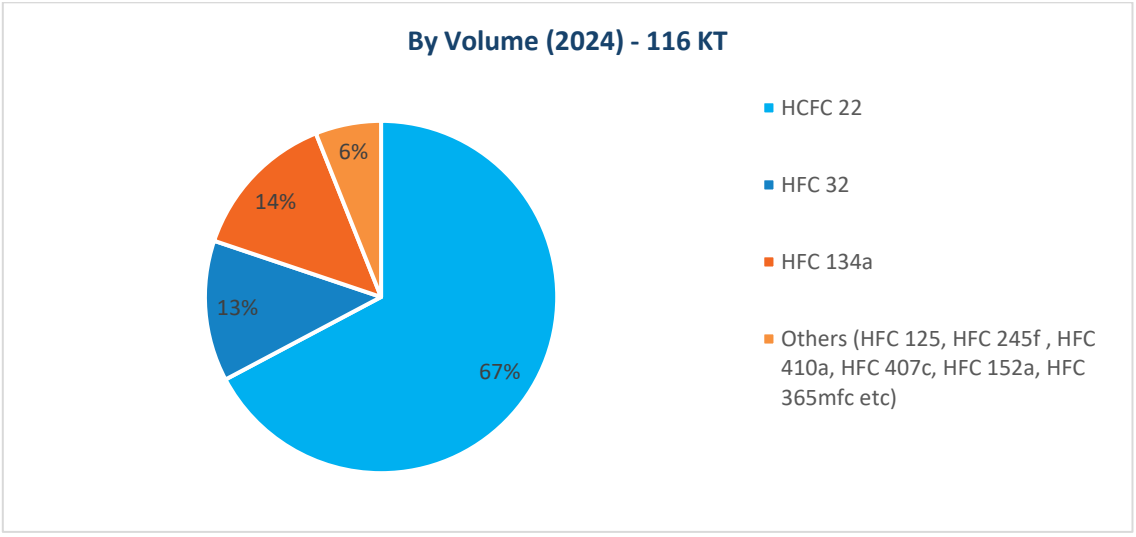
Exhibit 3A.10: Indian Fluorocarbon Refrigerant Market for Emissive Use, by Application, 2024



Room Air Conditioners are the largest category under vapor compression use. This is mostly a consolidated market with the top 6 manufacturers (OEMs) having around 80% of the market share. The industry is poised at an inflection penetration of 7-8 percent as compared to developed countries like Japan, US and Australia having penetration level of more than 90%. This potential for market penetration is likely to drive the growth at more than 13-14% over the next 5 years.

The automobile industry is a large end sector of refrigerants used in vapor compression. The domestic automobile industry is the fourth largest in the world by production. It is seventh largest manufacturer of commercial vehicles and is expected to retain its position during the forecast period.The growth of Electric Vehicles is likely to have a positive impact on the refrigerant gas market as air conditioning will be a part of EV vehicles. The market overall in terms of manufacturing is expected to grow over 9% till 2027. HFC-134a is the dominant refrigerant gas used for passenger car air-conditioning and is expected to remain so during the forecast period. Currently HFO1234yf is used mainly for export vehicles, and this is the most likely alternative for vehicles for the domestic market.

Exhibit 3A.11: India Fluorocarbon Refrigerant Market by Product Type, 2024, KT



HCFC 22: HCFC 22 still dominates the market in 2024, with a demand of78KT, however around 65KT of this demand is for non-emissive use for production of fluoropolymers and others. About 1.9-2.2 MT of HCFC 22 would be required per MT of PTFE. The remaining 13 KT is only used for after-market applications. A total of 15-20 KT is exported to countries like- Saudi Arabia, UAE, Kuwait, Syria, Vietnam etc

The total Indian capacity in 2024 was ~95 KT with NFIL having 13-14% of share a the rest is with GFL with 65KT of capacity and with SRF entering the fluoropolymers business the company came up with capacity of 17.5 KT, mainly to be used for captive PTFE production.

HCFC 22 falls under the Class II refrigerants and thus no new or additional capacity is allowed for emissive use.

HFC 32: HFC 32 is also most prominent blend component as well as the most used product in room air conditioners, thus among the top fluorocarbons used in India. The advantage HFC 32 include- zero ozone depletion potential, a 100-year GWP of 675 and is low flammability. Global demand is estimated to be around 100-105KT.

The demand for this product in India was ~ 15 KT with almost 5 KT of imports.~ 8-10 KT of this is used in OEM and the rest for blends and aftermarket applications. The most common blends are- R410A and R407A. HFC32 primarily goes into stationary air conditioning.

The total Indian capacity in 2022 was 30 KT. SRF was the only producer in India to make this product. However, in 2023, NFIL has come up with a capacity for HFC 32 with an investment of INR 80 Crores in Surat with a capacity of 4.5KT. NFIL is further planning to expand its capacity to 9KT by 2025.

Exhibit 3A.12: India Market Forecast, 2024,2029 US$ Bn

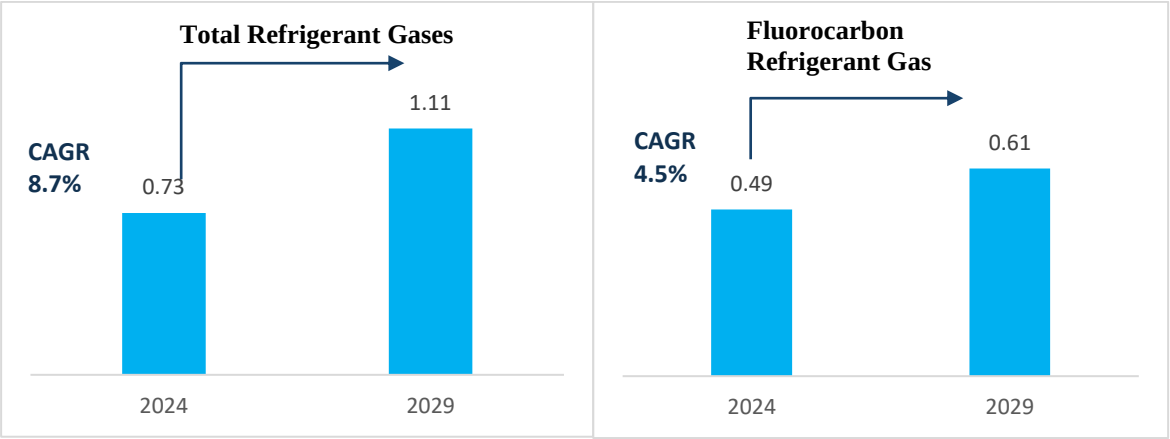
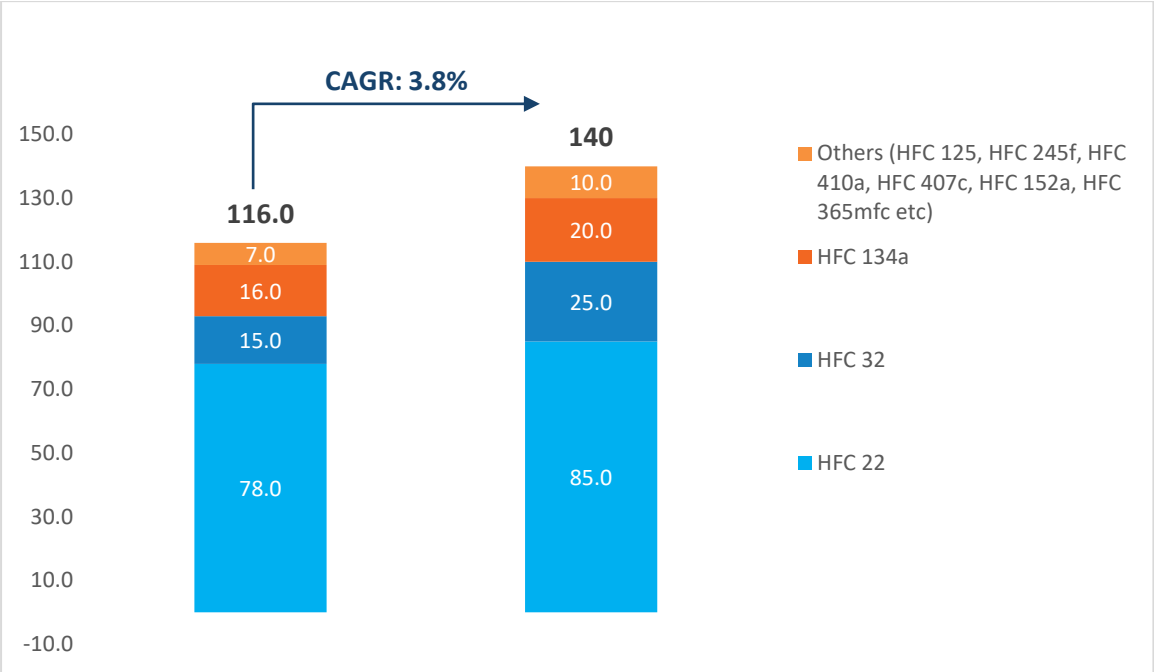


Exhibit 3A.13: India Fluorocarbon Refrigerant Market Forecast 2024-2029, KT



- *Source: Frost & Sullivan*

HFC 32 will be the highest growing segment with a CAGR of over 10.8%, with increasing penetration of Room ACs having over 20% growth and significant adoption of blends will be the key reason for this growth.The HVAC market in India is also under penetrated. Penetration of ACs is very low in India. In 2024, air conditioners had a penetration of 7-8% in India, compared to global average of 30%. While in China it is at 60%, which is a huge opportunity. The penetration is expected to grow in near future following higher disposable incomes, shorter replacement cycles, increasing electrification and availability of financing schemes which will lead to a spurt in demand. Increasing average temperature in summers is also driving demand for ACs in India. Room AC constitutes 70 to 75 % of the HVAC market.

Automobile air conditioning requires HFC 134a refrigerants, and therefore, the increased production of vehicles has led to a higher demand for refrigerants. The increased production of Electric vehicles will also boost the demand for refrigerants.

3A.7 Key Indian Players

The refrigerant gas market in India is consolidated in nature with close to 80% market share held by Navin Fluorine International Limited (NFIL), SRF Ltd and Gujarat Fluorochemicals Limited (GFL). The major refrigerants gases used in India include HFC-32, HFC-22, HFC-134a.*NFIL is the only company is India to manufacture hydrofluoroolefins -the new age refrigerants.*

3A.8 Growth Drivers of Indian Refrigerant Gas Market

Segments	Key Growth Drivers	2022-27 CAGR Market Size (Refrigerant gas in specific segment)

Refrigeration	There is an increasing need for cold storage application, as India is an agrarian society. The growth in industrial as well as commercial refrigeration requirements for processed products is driving the demand for refrigerants in the country. Furthermore, the growing pharmaceutical industry in the country is likely to increase the demand for refrigerant gases.	9-10%
Air Conditioning	AC sales have nearly quadrupled since 2010 to nearly one crore units in 2022-23. High-Rise Buildings, Shopping Complexes, Malls, Hypermarkets which are growing in tier II cities are increasing the requirements for air conditioners, thereby driving the demand for refrigerants use.	10-11%
Automobiles-Mobile Air Conditioning (MAC)	Exports of automobiles from India is expected to drive growth especially for component and ancillary manufacturing segments. Increased emphasis on EV and smart vehicles is also driving the demand for refrigerant gases. The EV sales in the country grew by 83% as of August 2023 compared to 2022. The production of automobiles in the country has grown by 25% in FY 23 as compared to FY22.	7-8%
HVAC Systems and Controlled conditions for production	HVAC systems have become requisite in various industries, such as food services, cold storage, data centers, transportation, industrial facilities and pharmaceuticals where temperature and humidity control is critical for efficient operations. Food processing and Pharmaceuticals ae one of the key investment sectors in India with double digit growth expected in next 5 years. Most of the cGMP certified and sterile pharmaceutical manufacturing units require HVAC systems. With the biomanufacturing industry's focus on GMP compliance, India plans to adopt GMP practices set by the World Health Organization (WHO).	12-15%
Transportation, Cold storage and Logistics	The Ministry of Road Transport and Highways has issued a notification mandating that all new trucks manufactured on or after October 1, 2025, must be equipped with air-conditioned cabins for drivers. The Government of India has also taken several measures to improve the cold chain infrastructure- including PM Kisan SAMPADA Yojana, Integrated Cold Chain and Value Addition Infrastructure, Mission for Integrated Development of Horticulture (MIDH) and Capital Investment subsidy scheme for Construction/expansion/modernization of Cold Storage etc, which will inrun boost the usage of refrigerants across these sectors	9-10%

3A.9 Export or Import Substitution Potential

The refrigerants with highest export potential from India include HCFC 22 and HFC 410a. During the CY 2024 INR 465 Cr – 16 KT of HFC 22 was exported from India and INR 190 Cr – 7.5 KT of HFC 410a was exported from India. The leading export destinations of HCFC 22 are United Arab Emirates, Saudi Arabia and Kuwait. The leading export destinations of HFC 410a are United States and Saudi Arabia. The new age refrigerants-Hydrofluoro Olefins (HFO) also have higher scope of exports with many companies giving the product for contract manufacturing.The products that are imported the most in India are HFC 134a. India imported INR 265 Cr (US$ 30 Mn) of HFC 134a in the CY 2024.

3A.10 Key strengths and value proposition of NFIL

- NFIL is the first and only producer of hydro flouro-olefins in India, the new age refrigerant gases
- Strong brand reputation of the Mafron brand of refrigerants, which is trusted by refrigerant gas Original Equipment Manufacturers (OEM)s and aftermarket customers. NFIL was the first Indian company to produce the R22 gas
- NFIL is backward integrated with respect to the raw material HF
- The company has a strong domestic and overseas distribution network

- Strategic partnerships with global innovators like Honeywell will help in access to technology and innovations and be part of emerging technologies in the space. In 2025, The Chemours Company signed a strategic agreement with NFIL, to manufacture Chemours' Opteon two-phase immersion cooling fluid

3B.1 Global Inorganic Fluorides Market Overview

Inorganic fluorides are fluorine containing inorganic chemicals. The commonly used inorganic fluorides include calcium fluoride, hydrogen fluoride (Hydrofluoric Acid), sodium fluoride, and sulfur hexafluoride. They are used majorly across the aluminum, oil and gas, pharmaceuticals, electronics, metal, and glass industries.

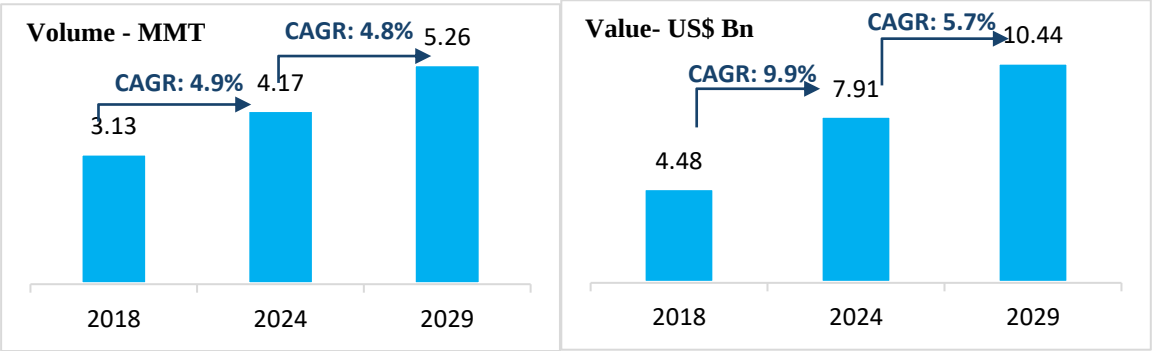
3B.2 Global Inorganic Fluorides Market Growth Drivers and CAGR

The major factors that are driving the global inorganic fluorides market include the increasing demand for hydrofluoric acid from agri, and pharma industries. The growing usage of aluminum in the automobile industry is also driving the demand for inorganic fluorides. The aluminum industry uses inorganic fluorides across the aluminum production process.

The global inorganic fluorides market was 4.2 MMT in 2024 by volume with Asia Pacific accounting for the major market share 62% in the segment followed by North America and European Union. India accounts for 5% in the global inorganic fluorides market.

The global inorganic fluorides market is expected to grow at a CAGR of 4.8% to reach 5.3 MMT by 2029. The Asia Pacific region is anticipated to grow at the fastest rate of 6.1% during the forecast period 2024-2029. In terms of value, the market was estimated to be around US$ 7.9 Bn in 2024 and is expected to reach US$ 10.4 Bn by 2029, growing at a CAGR of 5.7%.

Exhibit 3B.1: Global Inorganic Fluorides Market, 2018, 2024, 2029F



3B.3 Key Global Players

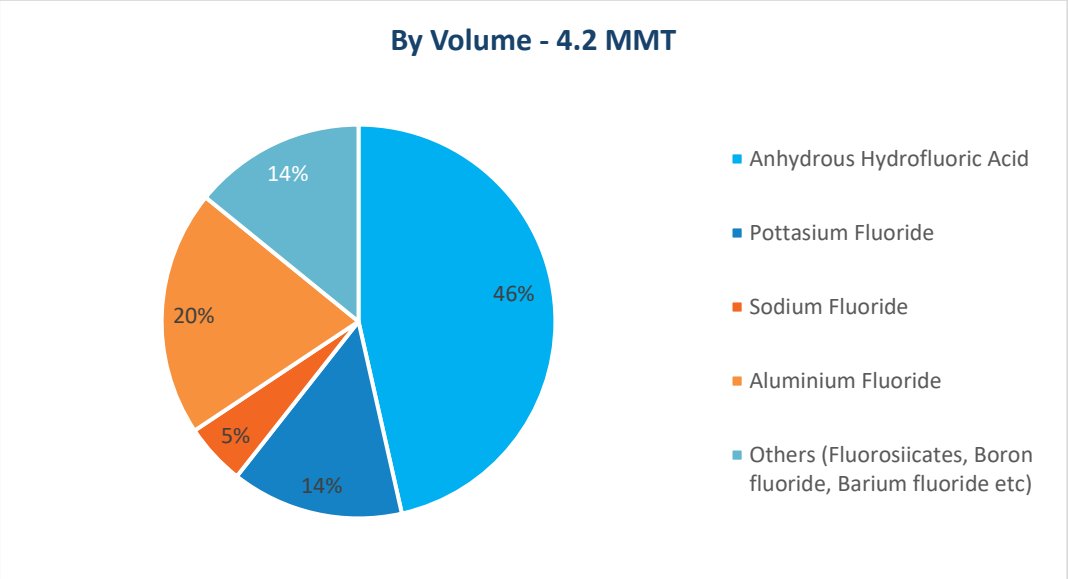
Some of the leading players in the global inorganic fluorides market include Daikin, Honeywell, Arkema, SRF Ltd, Navin Fluorine, Shanghai Mintchem Development, Lanxess, Shandong Dongyue Chemical among others.

Inorganic Fluoride Product Portfolios of Leading Players

Company Name	Inorganic Fluoride Products
Daikin	Hydrofluoric Acid
Honeywell	Sodium Fluoride, Potassium Fluoride, Hydrofluoric Acid, Magnesium Fluoride, Barium Fluoride, Fluoroboric acid, Potassium Fluor aluminate, Potassium Hexafluoro aluminate, Potassium Hexafluoro titanate and many others

Shanghai Mintchem	Lithium Di fluoroborate, Lithium difluoro phosphate, Ammonium Fluoride, Ammonium Bifluoride, Ammonium Fluorosilicate, Calcium Silicofluoride, Cobalt Fluoride and others
Shandong Dongyue Chemical	Hydrofluoric Acid

Exhibit 3B.2: Global Inorganic Fluorides Market by Product Type, 2024



Anhydrous hydrofluoric acid (AHF) holds the largest share of demand for inorganic fluorides in 2024 at 1.9 MMT at 46% followed by Aluminum Fluoride with a demand of 0.8 MMT and a share of 20% in 2024. 50-55% of the AHF produced globally is used captively by companies to manufacture various fluorine-based products.

AHF is the principal industrial source of fluorine and hence the precursor to many important fluorine-based compounds including pharmaceuticals and polymers.

Hydrofluoric acid is produced by treatment of the mineral fluorite (CaF2) with concentrated sulfuric acid. When combined at 250 °C, these two substances react to produce hydrogen fluoride according to the following chemical equation:

$CaF_2+H_2SO_4 \rightarrow 2HF+CaSO_4$

Anhydrous hydrofluoric acid (AHF) is used to produce environmentally safer fluorocarbon products, fluoropolymers, and chemical derivatives. It is also used in refinery alkylation as well as in a variety of other processes.

Aqueous 70% HF is used in a variety of applications including stainless steel and titanium pickling, glass etching/frosting, quartz purification, feedstock for chemical derivatives, chemical milling, and rare metal processing.

Potassium Fluoride (KF) is an alkali metal halide which occurs naturally as the rare mineral carobbiite. It is a rare, soft, colorless cubic mineral. After hydrogen fluoride, potassium fluoride is the primary source of the fluoride ion for applications for manufacturing of fluorine-based compounds.

Industrially potassium fluoride is produced by the reaction of Potassium Hydroxide with Hydrogen Fluoride. It is primarily used in halogen exchange reaction in the pharmaceutical industry and for conversion of chlorocarbons into fluorocarbons.

Potassium fluoride is easier to use than HF and demonstrates a greater degree of selectivity for plants. Selectivity refers to the susceptibility or tolerance of different plants to a herbicide. Many plants can deactivate or metabolize an herbicide before plant injury occurs. For instance, Wheat and barley tolerate growth regulator herbicides, can

metabolize these herbicides faster than broadleaf plants. Examples of herbicides produced with KF include Allylthiodiphenyl ether, Pyrazosulfuron-ethyl etc.

Exhibit 3B.3: Global Inorganic Fluorides Market by Application, 2024

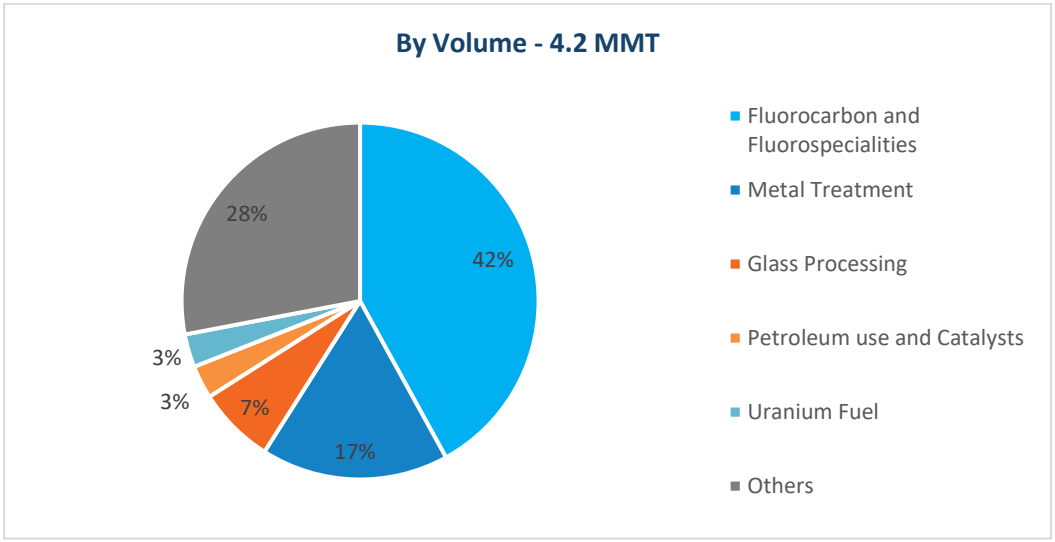
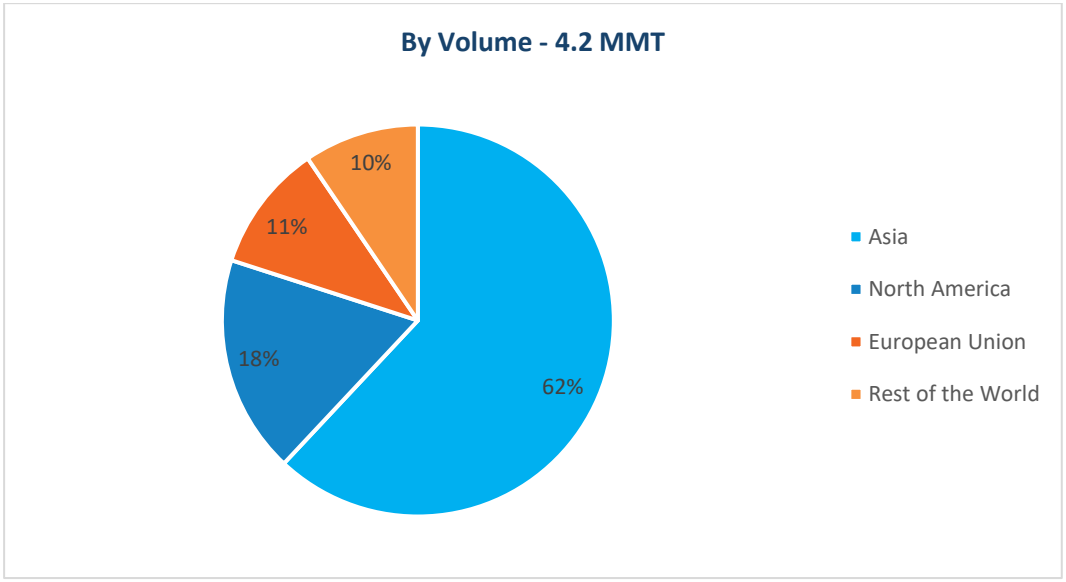
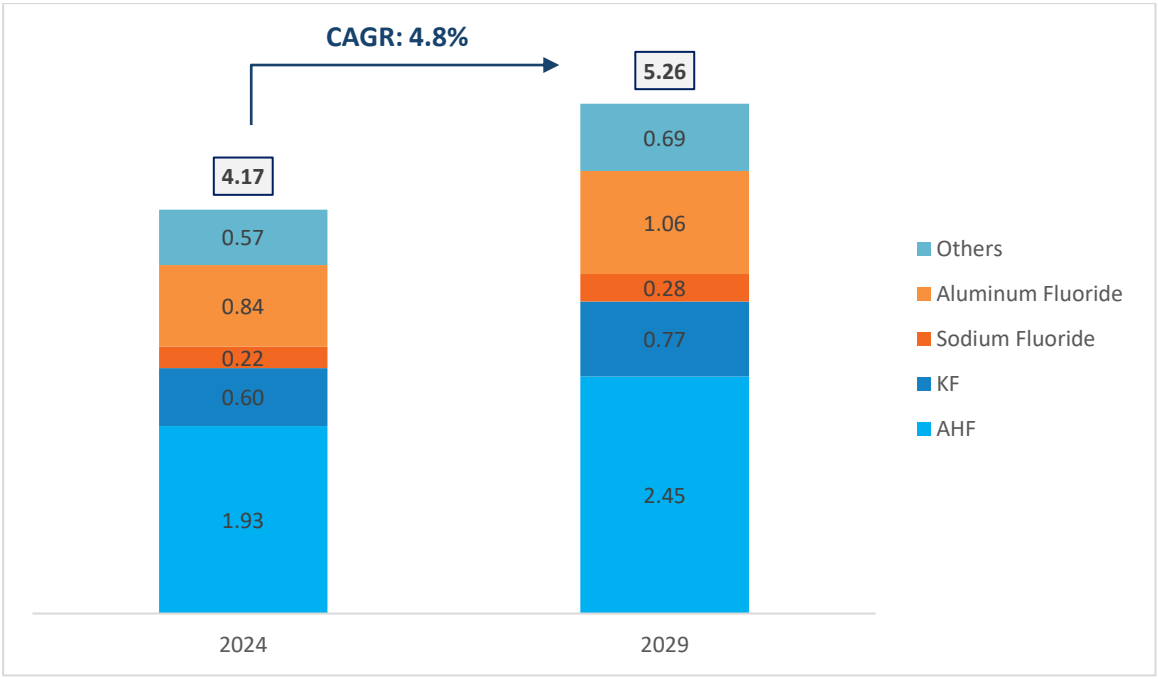


Exhibit 3B.4: Global Inorganic Fluorides Market by Geography, 2024, MMT



By geography, Asia Pacific holds the largest share of the Inorganic Fluoride market with a share of 62% and a demand of 2.6 MMT in 2024, followed by North America with a share of 18% and a demand of 0.8 MMT. The Asia-Pacific region is witnessing increased demand for fluorides, particularly due to growth in the chemical and consumer goods industries. This demand is driven by factors like rising chemical production, expansion of the electronics and automotive sectors, and increasing use of fluorine chemicals in various applications like metal extraction, metallurgical processes, and the manufacturing of diverse consumer products.

Exhibit 3B.5: Global Inorganic Fluorides Market Forecast 2024-2029, MMT



- *Source: Frost & Sullivan*

Among the inorganic fluorides, Potassium fluoride (KF) is expected to have the highest growth rate at the global level during the forecast period. Easy handling compared to AHF and increasing use in Pharmaceutical and Agrochemical applications are the key reasons for higher growth of KF.

3B.4 Key Entry barriers : Inorganic Fluorides

Like most fluorine related compounds there are many entry barriers involved with inorganic Fluorine production many of the products have been already commoditized and old, but act as a key starting material or fluorinating agents for other complex molecules.

Fluorine handling: Fluorination reactions are generally highly reactive, corrosive, and toxic, requiring specialized equipment and much care and thus not all companies can handle the required processes efficiently. NFIL has been in the business since 1967.

Raw Material Source: Mexico and China are the only major sources of fluorspar, the starting material for any fluorinated compound production. Due to this concentrated availability, fluorspar prices are very volatile and secured access becomes a key factor for sustainable business. NFIL has Backward integration for Raw material through 25% JV partner in the only Fluorspar beneficiation company in India and has diversified sourcing of Fluorspar away from China

Product Commoditization: Most of the inorganic fluorides have been commoditized and are low value products compared to other specialty chemicals. However, NFIL has a diversified portfolio of inorganic fluorides like- Boron Trifluoride, Ammonium Fluoride etc., which are niche in nature and have applications in high growth industries of semiconductors, etchants in electronics etc.

3B.5 India Inorganic Fluorides Market

The market for Inorganic Fluorides in India was 0.2 MMT in 2024 by volume and ~US$ 0.3 Bn by value in 2024. The Indian inorganic fluorides market is forecasted to grow at a CAGR of 9.1% over the forecast period 2024-2029 to reach 0.32 MMT of demand by 2029. The inorganic fluorides market in India is partially consolidated in nature with close to 80% market share held by NFIL, GFL and TANFAC (now acquired by Anupam Rasayan). The other players include Fluorides and Chemicals, Madras Fluorine Private Limited, and Axcel Gases.

Exhibit 3B.6: India Inorganic Fluorides Market, 2018, 2024, 2029F

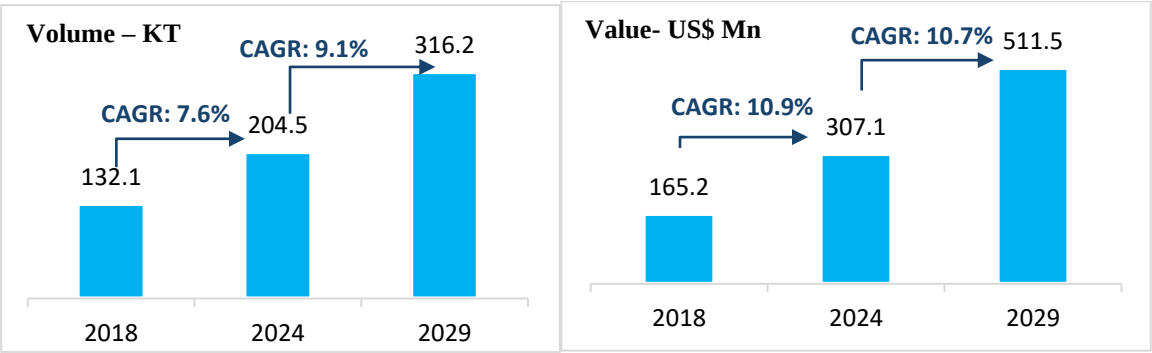
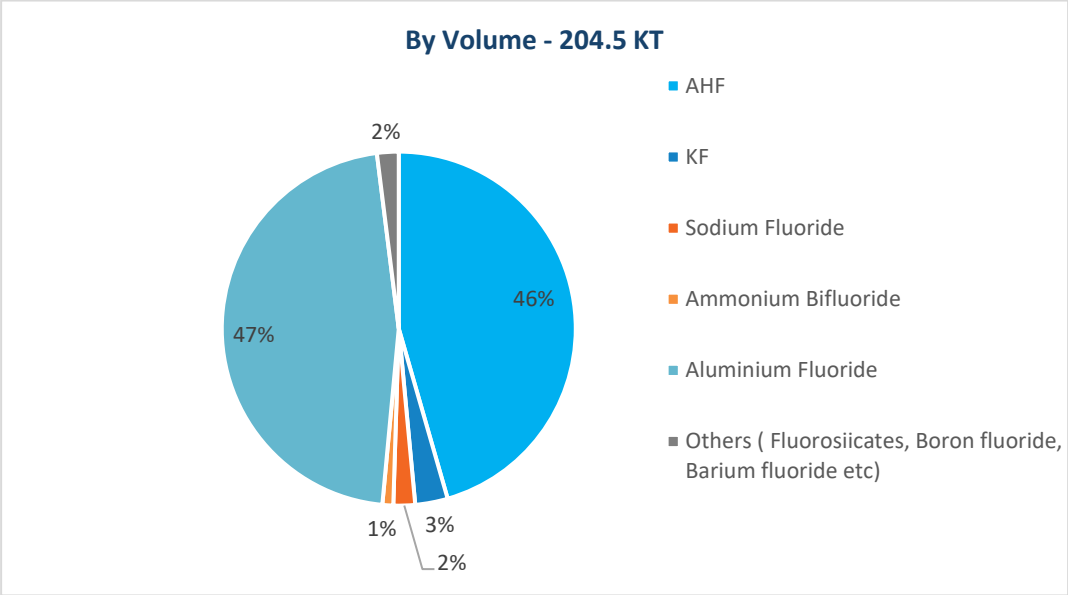


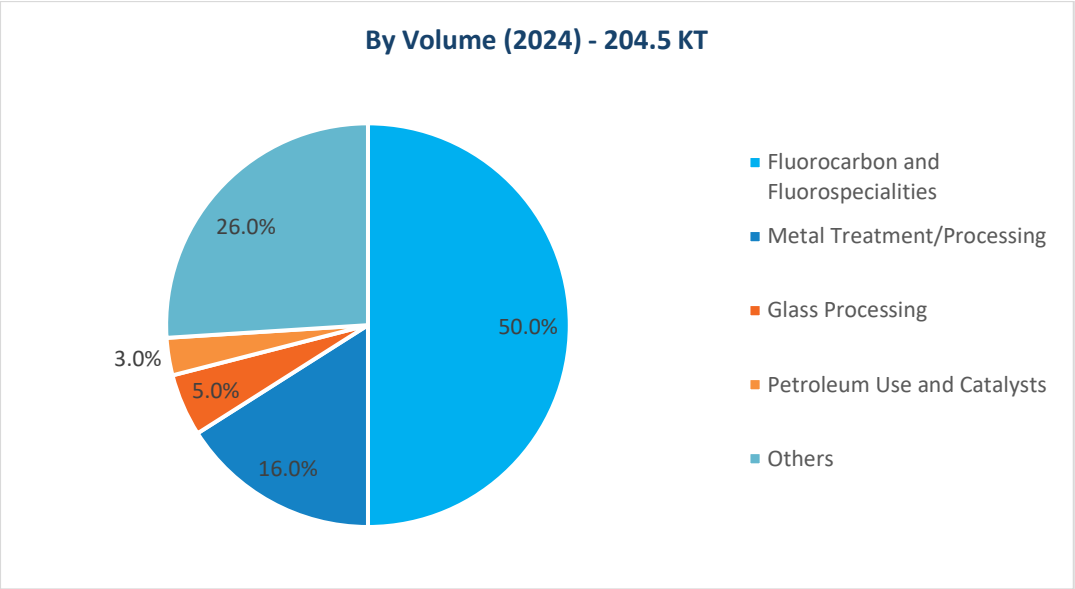
Exhibit 3B.7: India Inorganic Fluorides Market, by Type, 2024, KT



Aluminium Fluoride held the largest share of demand at 96 KT followed by Anhydrous Hydrofluoric Acid at 93.5 KT. However, in terms of domestic production AHF is the largest. GFL holds the largest AHF capacity of 120 MT per day at both Ranjit Nagar and Dahej plants. TANFAC (Acquired by Anupam Rasyan) has a capacity of 16 KTPA.SRF has a capacity of 30 KTPA and NFIL 20 KTPA.

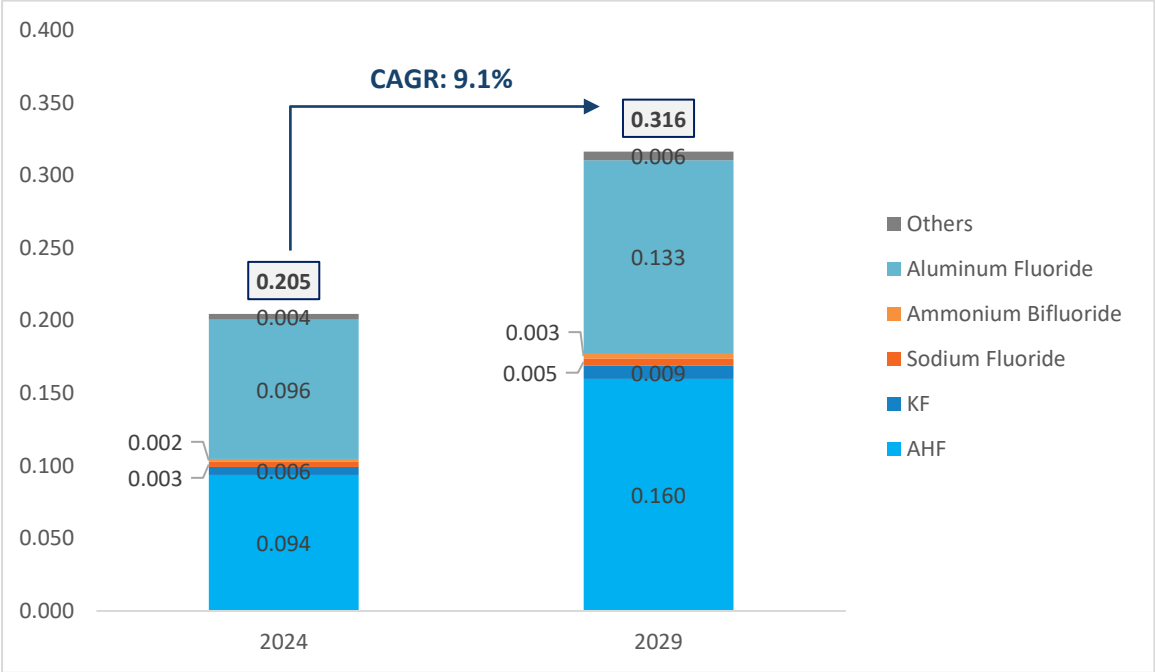
Tanfac Industries has completed the expansion of its hydrofluoric acid (HF) production capacity, doubling it from 14,850 MT to 29,700 MT in 2024. NFIL is setting up an AHF plant with a 40,000 tons per annum plant capacity which will take the overall capacity to 60,000 tons per annum. GFL plans to expand its AHF capacity from 120tpd to 220tpd, which will help supply key starting raw materials for fluoropolymer, ref-gas and battery chemicals.

Exhibit 3B.8: India Inorganic Fluorides Market, by Application, 2024, KT



The major part of the growth of the Indian inorganic fluorides market can be attributed to the demand for fluorine based compounds (fluorocarbon and fluorospecialty compounds) from the agrochemical and pharmaceutical industries. The fluorocarbon application is expected to grow at a rate of 13 – 14% during the forecast period 2024-29. The application held the largest share of the inorganic fluorides demand at 100+ KT with a market share of 50% in 2024.

Exhibit 3B.9: India Inorganic Fluorides Market Forecast 2024-2029, MMT



Source: Frost & Sullivan

Aluminium fluoride is an important additive to produce aluminium by electrolysis. Together with cryolite, it lowers the melting point of aluminium to below 1000 °C and increases the conductivity of the solution. Lightweight and low maintenance characters have revived aluminium usage in the electronic and automotive application. Fluorine-based chemicals like AHF (anhydrous Hydrogen Fluoride) are also extensively used for aluminium production due to its cost-effectiveness, which may stimulate market demand in the future.

India has a significant need for sodium fluoride due to water fluoridation efforts and its use in various industries. The Indian government has established standards for fluoride levels in drinking water, and many areas require remediation to meet those standards. Furthermore, sodium fluoride is used in toothpaste formulations and various other applications, contributing to the overall demand.

3B.6 Export or Import Substitution Potential

The products with the highest export potential include HF and ammonium bifluoride. In the FY 2022-23 the volume of exports of HF from India was 0.9 KT while the export of ammonium bi fluoride was 1.2 KT, similarly for FY25 exports of HF was 1.5 KT and that of ammonium bifluoride was 0.8 KT. Exports of HF were mainly to UAE, Nepal, Japan and Turkey and the leading export destination for ammonium bifluoride are Italy and the United States. Aluminium Fluoride is the largest imported inorganic fluoride in the country with almost 70% of the demand being met by imports.

3B.7 Key strengths and value proposition of NFIL

- NFIL is world's largest manufacturer of BF3 gas and one of India's largest manufacturers of inorganic fluorides.
- NFIL has significant market shares in ammonium bi-fluoride, potassium fluoride, sodium fluoride. The company has five decades of experience in fluorination chemistry and a portfolio of more than 60 fluorinated products.
- NFIL is one of the largest Indian manufacturers of anhydrous hydrofluoric acid and diluted hydrofluoric acid, which caters to the requirements of pharma, solar, electronic, steel, glass and oil and gas industries.
- The company has approved an investment for a new HF plant to meet the growing demands for agro, and pharma intermediates as well as the emerging renewable energy sectors of solar, lithium batteries etc. The expansion would increase its position as a leading producer of inorganic fluorides.
- NFIL is the only company manufacturing SF4 in India.

3C.1. Global Overview of Fluorospecialities

Fluro specialities are chemical compounds containing fluorine with niche applications as pharmaceuticals, agrochemicals, pesticides, and fungicides intermediates. Fluorine chemistry is based on eight decades of history that plays an important role in minimization of environmental impact. Recent development of direct fluorination with elemental fluorine is used to prepare a variety of materials that are economically important. Some of the key fluorine technologies used are fluorinations with F2, C = O to CF2 transformations as well as C–OH to C – F transformations and asymmetric fluorinations. Fluorination process can be carried out in both gas phase and liquid phase.

Global production of traded hydrofluoric acid (HF), the primary intermediary for fluorochemicals is an estimated 2MMT per annum. Fluoropolymers and specialty fluorochemicals use ~15% of the total Fluorine consumption by volume. With continuing, high cost of acidspar production, capacity reductions in China and depleting high quality fluorspar reserves there is opportunity for new fluorspar sources to enter the market.As of 2024 top five reserves of fluorspar are in China, Mexico, South Africa, Mongolia, and Vietnam.

Global fluorospecialty market

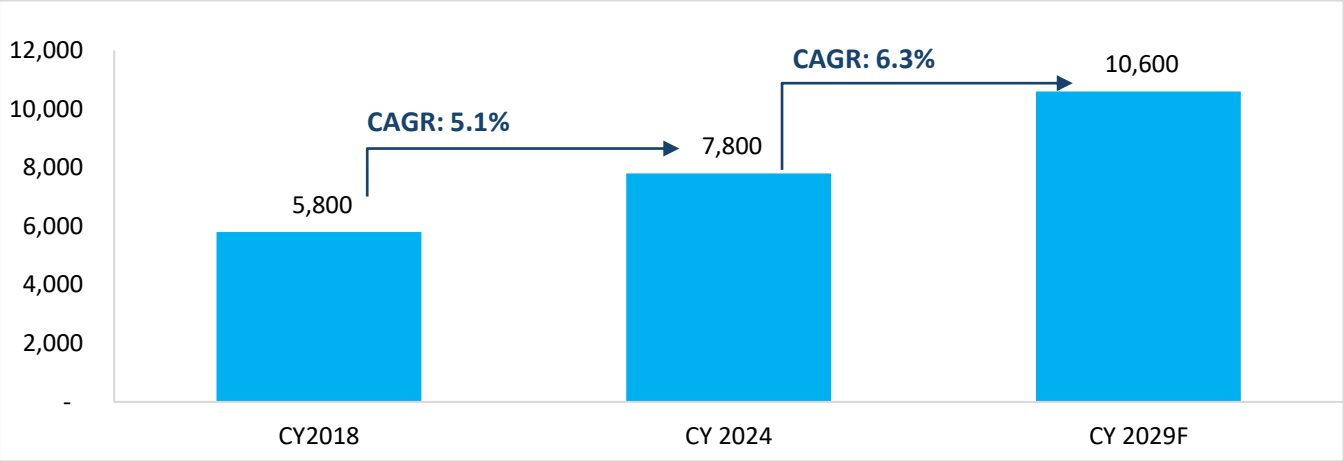
The global fluorospecialty market is valued at US$7.8 Bn in 2024 expected to grow to US$ ~US$10.6 Bn by 2029 with CAGR of ~6.3%. Fluorine based intermediates are the key starting materials to many APIs and are some of the important raw materials in biocides and insecticides.

The rising requirement for refrigeration across various industries is a significant driver boosting the growth of fluorospecialty market. With global warming, temperatures are rising and thus creating an increased need for HVAC (Heating, ventilation, and air conditioning) and refrigeration systems, has a positive impact on the fluorochemicals market. Refrigerants are used in residential, industrial, and commercial sectors. They are also used

in the automotive industry; the increased production of automobiles has led to a higher demand for refrigerants. The increased production of electric vehicles will also boost the demand for refrigerants.

The major global players in the fluorospecialty chemicals market include Arkema, Chemours, Daikin, Gujarat Fluorochemicals Limited, 3M, SRF, Solvay, Honeywell, and Dongyue Group among others.

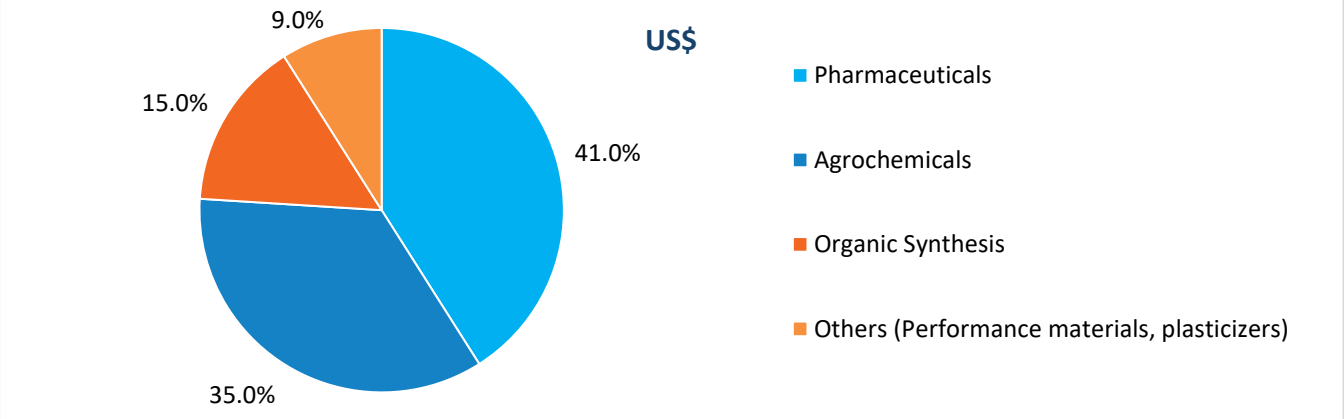
Exhibit 3C.1Global fluorospecialty market US$ Mn,2018-29F



- *Source: Frost & Sullivan Research & Analysis*

3C.2 Global fluorospecialty market by end use, 2024 (US$ Bn)

Exhibit 3C.2: Global fluorospecialty market by end use, 2024



- *Source: Frost & Sullivan Research & Analysis*

Fluorospecialty chemicals in pharmaceuticals

Presently, ~20-30% of modern pharmaceutical molecules contain at least one Fluorine atom. The key driving factors in pharmaceutical segment is - every 1 in 3 new APIs will be based on fluorine chemistry.

Pharmaceutical Intermediate		
Fluorobenzene	Ciprofoxacin, Fluvastatin, Bicaltuamide	Anti-infectives, statins, Oncology
2,4-Dichlorofluorobenzene	Ciprofloxacin, Norfloxacin	Anti-infectives

2,4-Dichloro-5-fluoroacetophenone	Ciprofloxacin	Anti-infectives
1,3-Difluorobenzene	Fluconazole	Anti-infectives
o-Fluoronitrobenzene	Olanzapine	Neuro/CNS
3-Chloro-4-fluoroaniline	Norfloxacin	Anti-infectives
4-Fluoroaniline	Ezetimibe	Cardiovascular
p-Fluoronitrobenzene	Pioglitazone	Anti-diabetic

Organofluorine compounds are key materials applied in daily life because of their versatile utility as functional materials, pharmaceuticals, and agrochemicals. Development of the selective fluorination of organic molecules under safe conditions is therefore one of the most important subjects in modern synthetic organofluorine chemistry. Electrochemical synthesis has recently attracted much attention from the perspective of green sustainable chemistry because no hazardous reagents are required and scale-up is generally easy. Chlorotoluene based fluorine products are an important intermediate in the pharmaceuticals and agrochemicals industries

Presence of Fluorine significantly improve a drug's pharmacokinetic profile, enhancing oral absorption and blood-brain barrier penetration, increases drug half-life and reduces side effects. Complex therapies in oncology, CNS, and infectious diseases in most cases drive the demand for fluorine containing intermediates

Fluorospecialty chemicals in agrochemicals

50% of agrochemical molecules developed recently have fluorine.

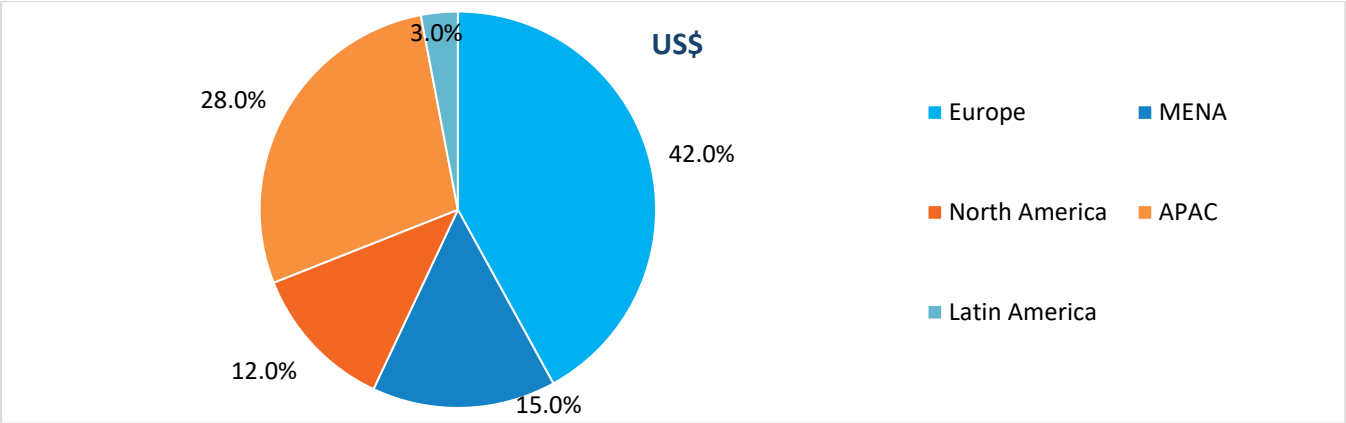
Agrochemical intermediate	API end use
4-Fluorobenzaldehyde	Bifenthrin (Herbicide), fluthrin (Insecticide)
4-Fluoroaniline	Fluquiconozole, Fluromide (Fungicide)
4-Fluorophenol	Pentaxazone (Herbicide)
Trifluoroacetic acid	Thifluzamide
Trifluoroethanol	Triflusulfuron
4-Trifluoromethoxyaniline	Indoxicarb
3,4 Difluorobenzotrifluoride	Flufenoxuron

Fluorochemicals are vital ingredients for pesticides. They have replaced bromomethane, a very toxic chemical to the environment. Fluorine provides a viable and valuable alternative to bromomethane in pest-control products. Fluoride derived chemicals are used as fumigants to reduce pest infestation of stored grains and certain other food products. For example, Sulfuryl fluoride, derived from fluorine, is used in gas fumigants to reduce the incidence of rats, mice.About 30% of all the pesticides contain fluorine. Every year more than 50% of compounds with new ISO common names are fluoro-organic compounds under agrochemicals. Organofluorine compounds are generally more stable than their organochlorine derivatives owing to the exceptional strength of the C-F bond, which results in extraordinary robustness of fluoro-agrochemicals. This is reflected in their resistance against enzymatic, chemical, and environmental degradation. The largest subdivision of new ISO included between 2000-2020 fluoro-agrochemicals is the group that contains an "Ar-F", followed by the groups that contain an "Ar-CF3" a "Het-(Csp2)-CF3" or an "alkyl-CF3" moiety . Fluoro-functionalized aromatic compounds contribute greatly to these groups. Heterocycles are extremely important frameworks for the design of agrochemicals. An estimated >70% of launched agrochemicals contain at least one heterocycle, in particular those heterocycles that contain nitrogen. About 50-60% of the fluoro-agrochemicals contain heterocyclic moieties.

Sustainable, high-yield agriculture and regulatory compliance in pesticide residue limits are key reasons for adopting fluorine based intermediates in agrochemical sector

3C.3 Global fluorospecialty market by geography, 2024 (US$ Bn)

Exhibit 3C.3Global fluorospeacialty market by geography, 2024



- *Source: Frost & Sullivan Research & Analysis*

China is a key player in the inorganic fluorospecialty segment, whereas in the organic fluorochemical industry, it is severely fragmented. Outside of China, the organic fluorospecialty market is highly consolidated. Fluorine chemistry is difficult to handle and requires specialized manufacturing set up. This acts as a high entry barrier to new entrants. In India, only a handful of players – SRF, Navin Fluorine, Gujarat Fluorochemical (GFL) are in the market. Anupam Rasayan through acquisition of Tanfac and Lakshmi Organics are entering the fluorospecialty and fluorine derivatives market in 2023.

3C.4 Key Entry barriers : Fluoro Specialities

Fluorine handling: The key barrier to entry into the fluorine industry is the ability to produce and, to handle, store and transport fluorine and its precursor, hydrogen fluoride/ Hydrofluoric acid (HF). They are extraordinarily difficult and are considered immensely hazardous substances. HF is highly corrosive and also can dissolve glass.The reactions of fluorine are highly exothermic, and due to its reactivity, materials of construction and continuous monitoring are of critical importance for safe operation.

NFIL was established in 1967 and has been successfully handling fluorination since then.

Complex chemistry and R&D requirements: There are over 1000+ commercial agrochemicals and pharmaceuticals that contain fluorine and many more in the pipeline. These require high end research to continuously develop most suitable fluorine intermediate source and/or process efficiency and yield improvements. The possibility of such research is limited to companies that have a thorough understanding of fluorine chemistry and efficiently handle fluorine and thus the developed product at a commercial scale. Unlike other chemistries the requirement spend on Research & Development in terms of time and scale is very high and thus not many small or medium scale enterprises have been able to sustain in the market nor many competitive new entrants have emerged in the recent past.

NFIL has proprietary R&D and process technology capacities for fluorine chemistry, and multi-year customer engagements. The fluorination capabilities include catalytic, non-catalytic, gas phase, and liquid phase fluorination using HF. Other specialised fluorination reactions include Balz- Schiemann, Schiemann and Swarts. Safe handlings of HF and Halogen exchange are NFIL's niche capabilities.

NFIL has a wholly owned subsidiary based out of United Kingdom, Manchester Organics (MOL), which is a global leader in fluorination and high-pressure chemistry, research, and manufacturing

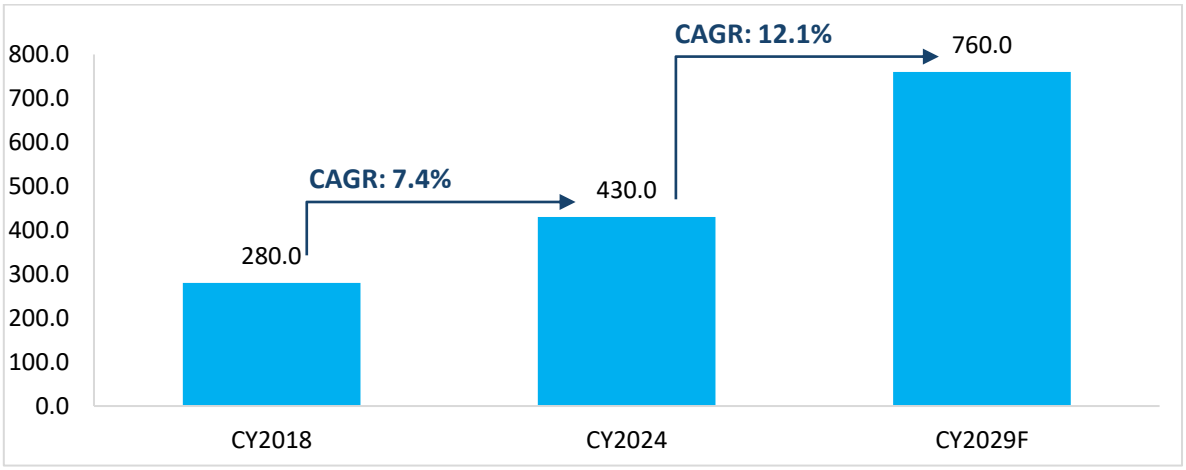
Long term Contracts: Considering the above scenario and the limited number of companies in the space, most of the business of fluorine industry is through long term contracts. Either the company supplying fluorine based product sells just the commodity to a contract manufacturer with good handling abilities or the most common approach has been- the company supplying the fluorine based product would get associated with the product development team of the innovator companies from inception of the development process and be part of the supply chain for over 10-15 years , sometimes even more. Hence the industry especially in case of speciality intermediates and innovative products are contract driven and thus customer access is restricted for any new entrant.

NFIL mainly has international pharma innovators as its customers. The company received purchase order of US$16 million for late – stage clinical trial, which will be commissioned in Q2CY23 and Q3CY23. Two new plants for speciality chemicals in Dahej scheduled to start in Q3FY23

The company also intends to go beyond just fluorination for pharma's CDMO. In this regard, it has signed a contract with Fermion (non-exclusive) for three patented late stage molecules; commercial supply will start in CY25.

3C.5 Fluorospecialty market in India 2024

Exhibit 3C.4:Fluorospecialty market in India, US$ Mn, 2024-2029F



Source: Frost & Sullivan Research & Analysis

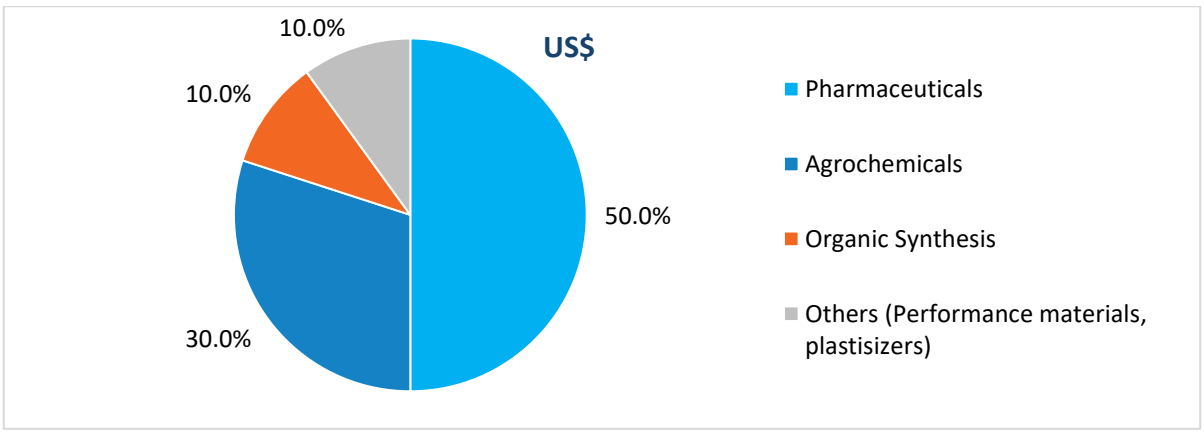
Fluorospecialty market in India is thriving due to presence of pure play manufacturers that have forayed into this business few years ago and marking a niche in the global map. Key Fluorospecialty consuming regions such as USA, EU and Japan are considering India as their supply partner post pandemic for reliable and timely supply of raw materials. The scenario is positive for fluorospecialty manufacturers since the market is not crowded and there is unprecedented demand from pharmaceutical and agrochemical industries.

The Production-Linked Incentives (PLI) scheme by the Government of India for API manufacturing in pharma sector and specialty chemical sector is driving the fluorospecialty market in the country.

Apart from the major three companies- NFIL, SRF and GFL; Anupam Rasayan has also bought 50% stake in Tanfac which has helped it in secured supply of AHF .

3C.6 Fluorospecialty market in India by end use 2024

Exhibit 3C.5:Fluorospecialty market in India by end use 2024



Source: Frost & Sullivan Research & Analysis

Fluorine based Intermediates have seen the highest growth in the last 5 years and are expected to grow at ~12.1% till 2029F. With the Russia-Ukraine war many customers are not only considering China+1 but also Europe+1 strategy which has helped the market for fluorine-based Intermediates grow even in the domestic market.

The market for speciality chemicals in Pharmaceuticals and Agrochemicals is expected to grow at a healthy double-digit rate. The new incentive scheme of the Government of India to become self-reliant in the pharmaceutical sector would further fuel the growth. The growth in the fluorine-based intermediates segment will be the highest with a CAGR of 12-3%, more so with India moving towards in-house manufacturing of many actives and intermediates which were otherwise imported from China.

Growth Drivers of Indian Fluorospecialty Market

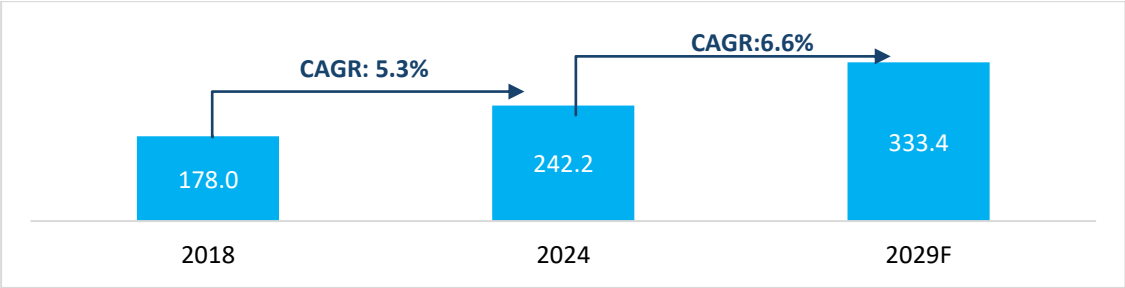
Segments	Key Growth Drivers	2022-28 CAGR Market Size (Fluorochemical in specific segment)
Pharmaceuticals API	The Indian API market has shown steady growth at a CAGR of 10.4% from 2018 to 2022 and is expected to further expand at nearly 14 % going forward till 2028. By raising production yields, changing production processes and increasing sales in international markets, API manufacturers in India are making efforts to improve their marketing ability in the regulated markets. More than 30% of the APIs manufactured in India are exported to countries such as US, UK, Japan, etc. (2022)	12-13%
Agrochemicals & Fertilizers	India is one of the most prominent exporters of agrochemicals in the world, exporting to major end user countries of – USA, Japan, China and Brazil. The most prominent agrochemicals exported include mancozeb, 2,4D, acephate, chlorpyrifos, permethrin and profenos. For the financial year 2022-23, agrochemicals export from India reached a new peak of US$ 5.4 bn.	11-12%
Electrical & Electronics (E&E)	With focus on "make in India" electronics and ever-growing requirement for consumer electronics, the market for fluorine-based chemicals in E&E application is expected to see significant growth	10-12%
Automobiles	Exports from India is expected to drive the growth especially for component and ancillary manufacturing segments. Increased emphasis on EV and smart vehicles is also driving the demand for fluorospeicalty chemicals	7-8%
Others	Other applications like coatings, cookware, textiles, medical appliances are in niche stage but are being accelerated by growth in Infrastructure and urbanization	8-9%

NFIL is one of the largest integrated specialty fluorochemical companies in India. The company's Surat unit is India's first integrated fluorochemicals complex and houses Specialty Chemicals and HPP (High performance products) business operations.

3D.1 Global CRAMS Market Overview

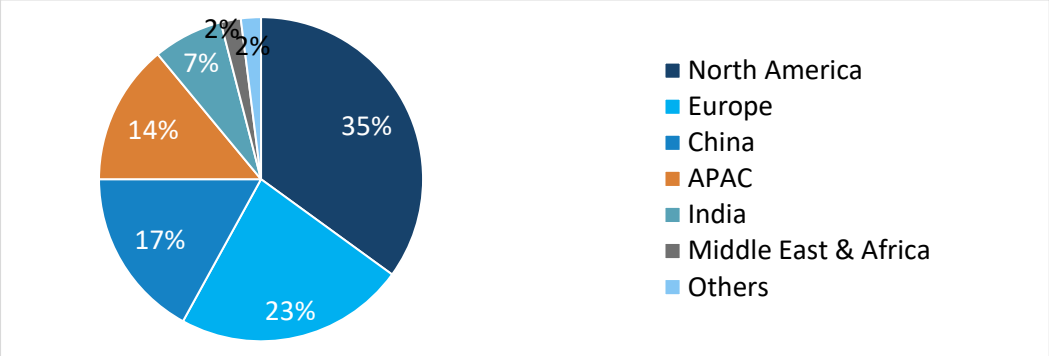
The global market for CRAMS was valued at USD 242 billion in CY 2024, for global specialty chemicals contract manufacturing. CRAMS is used for contract synthesis of agrochemical technical grades or active ingredients, intermediates and specialty chemical products along with other fine chemicals like active pharmaceutical ingredients, etc. This market is anticipated to grow at ~7% CAGR in next 5 years.

Exhibit 3D.1: Global Custom Synthesis & Manufacturing Market (in US$ Bn)



Source: Frost & Sullivan Research & Analysis

Exhibit 3D.2 : Global Custom Synthesis & Manufacturing Market, 2024, by Region (US$ 242 Bn)



Source: Frost & Sullivan Research & Analysis

The CRAMS market across the globe was growing at a CAGR of ~5% over CY 2017-22 and this growth will be higher (~7%) as compared to historic growth due to increasing trends in contract manufacturing of fine chemicals. The accelerated growth, and approval, of new therapies over the last two decades has put CRAMS/CMS for active pharmaceutical ingredients (APIs) in high demand. The pace of contract manufacturing has been increasing day by day, with companies shifting their focus on core activities. Major drivers of global customs synthesis and manufacturing market are new active ingredients development, innovators shifting focus to core competencies and outsourcing of production to low manufacturing cost destinations. India, being a low manufacturing cost destination, has advantage of skilled labour force successfully delivering to the MNC's (their outsourcing needs).

Global CRAMS market players

Three quarter of global contract research and manufacturing services market is concentrated in North America, Europe and China. Major CRAMS players involved in the fine chemicals business are – Quintiles, Covance, Catalent, Paraxel, Lonza, Charles River Lab, Patheon and others.

3D.2. India CRAMS Market Overview

Owing to a wide-ranging product mix consisting of high-end research services, biologics, and complex technology services, all offered at a low cost, contract research and manufacturing services (CRAMS) industry has witnessed tremendous growth in the Indian subcontinent.

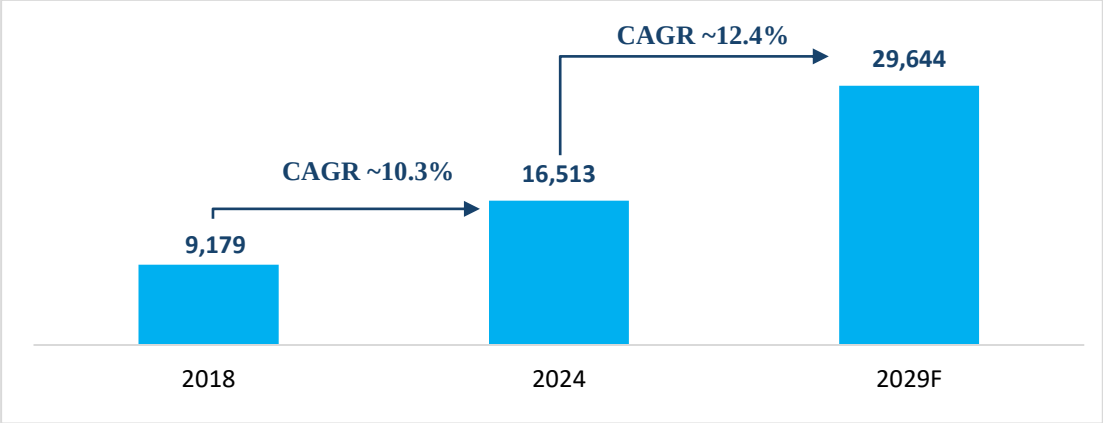
The development costs to discover new drugs escalates every year, especially in the developed nations. Several key pharmaceutical players are now outsourcing their early drug development activities covering pre-clinical and early phase research to some of the leading Contract Research Organization (CRO) players in the market which was earlier handled by the companies themselves. The CRO model is not new to drug discovery and drug companies actively use clinical monitoring, data management CRO and GMP API manufacturers to facilitate their clinical programs, helping reduce the cost of drug development.

Globally, pharma companies being faced with growing challenges in major markets, demands from customers and growing pressures from competitors, are adopting a range of strategies designed to reduce costs and

maximize efficiency. Owing to weak purchasing power worldwide, the global pharma players are looking at sourcing cheaper APIs. Several factors make India an attractive alternative for sourcing active ingredients.

India is amongst the preferred destinations for outsourcing of research as well as manufacturing activities. The low-cost innovations and manufacturing coupled with skilled manpower and cutting-edge R&D has helped in the growth of Indian API market. Given India's expertise in pharmaceuticals manufacturing and the presence of large number of US FDA approved manufacturing facilities, it is well poised to provide benefit in the CRAMS segment. Indian firms are able to tackle complex synthesis in relatively shorter periods with cost-efficiency. Indian CRAMS companies hold a competitive edge across the global pharmaceutical industry in being the most preferred partners for drug development and manufacturing. The Indian companies can manufacture bulk drugs in-house at 40% to 50% of cost.

Exhibit 3D.3 : India CRAMS market – 2018, 2024 and 2029F, value (US$ Mn)



Source: Frost & Sullivan Research

India is a frontrunner in the number of FDA-approved manufacturing sites outside the United States and a leader in the bulk drug manufacturing market dominated by generics and biosimilars. As a result, Indian CRAMS market is valued at USD 16.5 Bn in CY 2024 and expected to grow at CAGR of 12.4% to USD 29.6 Bn in CY 2029.

Growth Drivers:

With a lower capital expenditure in the range of 25-50% for setting a facility, India is a big attraction for global pharmaceutical companies to collaborate with local CRAMS players. Apart from lower set up costs, it is easier to acquire trained manpower which further eases the R&D activities.

Abundant pool of professionals in the area of drug development and research chemistry, owing to an enormous base of pharmacists and chemistry post-graduates qualifying every year is an added attraction. With MNCs around the globe under constant pressure to prune costs, collaboration with CRAMS providers is the most viable option for maintaining profitability.

Across India, the recent revision of Market Access Initiative by the Ministry of Commerce and Industry aims at benefiting the small to mid-segment newer industry players which do not possess global sales and marketing reach. As a result of the revised MAI policies, the robust growth in CRAMS industry in India will support newer economies such as Myanmar, Cambodia to collaborate with the local Indian players beneficial for the overall growth of the Asian economy.

Total sales potential from the expiry of drug patents between CY 2020-26 is estimated at ~USD 252 Bn. Since pharmaceutical research is costly and risky, companies hit by a patent cliff will not reinvest in research. They will first try to ward off generic manufacturers and reclaim their market share. While the flooding of the market with generic drugs might look appealing to consumers, in the long run, it will have drawbacks. The disruption in R&D will result in longer waiting periods for new drugs to release. This presents a large opportunity for Indian generic companies.India could concentrate on increase in exports to regulated markets of US and Europe.

In some regions a structured government intervention by way of the existing Free Trade Agreements (FTAs) like the South Asian Free Trade Area (SAFTA), Japan-India Comprehensive Economic Partnership Agreement (CEPA), Association of Southeast Asian Nations (ASEAN) Trade in goods agreement, can benefit Indian companies to leverage such markets with customised therapeutic offerings. Regions working towards reducing the healthcare costs and with the upcoming patent cliff opportunity across formulations both chemical and biologics, could boost growth, create newer export corridors for Indian companies. Collaboration play (likes of GAVI for vaccine) with international regulatory bodies like International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) and Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme (PIC/S) would also facilitate access to these markets.

Key Strengths of NFIL in the CDMO business

- Company's CDMO operations are carried out of Dewas, India's only plant with high pressure fluorination capabilities with cGMP compliance,newly operational Dahej unit and Manchester Unit, that was acquired in 2011 - ramp up their CDMO capabilities.
- Over the past few years, the company has evolved its revenue profile from clinical projects to commercial projects, thereby ensuring a consistent revenue
- The company has been investing in a range of competencies, from research to plant scale to ensure sustainable growth in the business
- The company has established globally benchmarked standards of quality and safety
- NFIL focusses on making complex intermediates as compared to other CDMO businesses that focus on APIs and formulations

4A. Financial Analysis of Select Companies

Key Performance Indicator (INR Cr.)	NFIL			SRF		
	FY 2023	FY 2024	FY 2025	FY 2023	FY 2024	FY 2025
Revenue from Operations	2077.40	2065.01	2349.38	14870.25	13138.52	14693.07
Revenue from Operations (CAGR- FY23-25)	6.34%			-(0.60)%		
Operating EBITDA[1]	550.31	398.28	533.72	3529.20	2584.11	2718.44
Operating EBITDA Margin (%)[2]	26.49%	19.29%	22.72%	23.73%	19.67%	18.50%
PAT	375.18	270.50	288.58	2162.34	1335.71	1250.78
PAT Margin (%)[3]	17.75%	12.75%	12.06%	14.47%	10.10%	8.44%
RoE[4]	18.62%	11.84%	11.52%	22.89%	12.25%	10.38%
RoCE[5]	17.06%	9.45%	11.06%	19.55%	11.50%	11.35%
Working Capital Days[6]	138	103	90	45	58	54
Net Debt / Equity Ratio[7]	0.37	0.37	0.37	0.33	0.37	0.29

Key Performance Indicator (INR Cr.)	Tanfac			GFL		
	FY 2023	FY 2024	FY 2025	FY 2023	FY 2024	FY 2025
Revenue from Operations	374.95	378.15	556.98	5684.66	4280.82	4737.00
Revenue from Operations (CAGR- FY23-25)	21.88%			-(8.72)%		
Operating EBITDA[1]	74.76	70.71	128.86	1965.28	955.09	1157.00
Operating EBITDA Margin (%)[2]	19.94%	18.70%	23.14%	34.57%	22.31%	24.42%
PAT	56.13	52.48	88.15	1323.05	434.95	546.00
PAT Margin (%)[3]	14.66%	13.62%	15.74%	22.59%	10.02%	11.39%
RoE[4]	35.31%	25.31%	32.50%	27.14%	7.59%	8.25%
RoCE[5]	40.73%	30.26%	33.87%	27.17%	9.18%	9.26%
Working Capital Days[6]	56	72	99	122	162	186
Net Debt / Equity Ratio[7]	-0.41	-0.31	0.01	0.27	0.35	0.24

Notes:

1. Operating EBITDA : Profit before tax(before exceptional item) + Finance Cost + Depreciation and amortisation expense - Other Income
2. Operating EBITDA Margin : Operating EBITDA as a percentage of revenue from operations

3. PAT Margin = Total profit for the year / total revenue
4. ROE = Total profit for the year / average shareholders' equity
5. ROCE = Profit before exceptional items, interest and tax / capital employed (where capital employed = total equity + deferred tax liability + current and non-current borrowings)
6. Working Capital Days = Working Capital / Revenue from operation X 365 where Working capital is Inventories + Trade Receivable - Trade Payable (Total outstanding dues of micro enterprises and small enterprises + Total outstanding dues of creditors other than micro enterprises and small enterprises)
7. Net Debt / Equity Ratio : Net Debt / Total Equity where Net Debt is Non Current Borrowing + Non Current Lease Liabilities + Current Borrowing + Current Lease Liabilities - Current Investment - Cash & Cash equivalent

4B. Competitive Benchmarking : NFIL, GFL , SRF and Tanfac

	NFIL	GFL	SRF	Tanfac
Business Segments	HPP(High Performance product), CDMO and specialty chemicals	Fluoropolymers, Fluorospecialities, Refrigerants. Inorganic fluorides and Chemicals	Technical Textiles, Fluorochemicals, Specialty Chemicals, Packaging Films, Coated and Laminated Fabrics.	Tanfac is engaged in the manufacture of Anhydrous Hydrofluoric acid, Sulphuric Acid, Oleum. Aluminium Fluoride, Potassium Fluoride, Potassium Bifluoride, Boron Trifluoride Complexes, Calcium Sulphate (Gypsum), IsoButyl Acetophenone, Acetic Acid, Peracetic Acid and Poly Aluminium Chloride, etc.
Fluorine Product Segments	Refrigerants, Inorganic Fluorides, Fluoro specialties	Refrigerants, Fluoro specialties, Fluoropolymers	Refrigerants, Fluoro specialties, Inorgain Fluorides, Fluoropolymers	
Key Products	HCFC 22, HFC 32, HFO, AHF, Aluminium Fluoride, Ammonium Bifluoride, Potssium Fluoride, Sodium Fluoride and many other fluorospecialities	HCFC 22, R125, R407C, R410A. PTFE, PVDF, FEP Potassium Fluoride, and fluorospecialties	HCFC 22, HFC 32,HFC 134a, HFO(Upcoming), Methylene Chloride, HF, PTFE, Fluorospecialities	Hydrofluoric Acid and its derivatives.
Raw Material Sourcing	NFIL has a JV with GMDC and GFL for beneficiation of fluorspar into acid grade HF. The company currently has a capacity of 20,000 MTPA of HF and aims to triple it to 60,000 MTPA in next two years	Has access to fluorspar through its JV with GMDC & NFIL. GFL has a strong backward integration model with manufacturing of caustic soda-chlorine to chloromethane. The current AHF capacity is 120 MTPD and the company plans to	SRF does not appear to have any strategic sourcing for fluorspar, however has largest HF capacity. As of2023, the AHF capacity stands at 80,000 MTPA Chloroform production is in-house.	Imports mainly from China . Also exploring alternate options

		expand it to 220 MTPD Chloroform production is in-house.		
Exports as % of Revenue	65-70%	50-55%	55-60%	5-6%
Overall Capacity Utilization (% range)	65-70%	70-75%	70-75%	Over 90%
R&D and Pipeline	The company recently launched four molecules from its MPP plant of specialty chemicals and is expected to launch fifth molecule in H2CY24.	Battery chemicals and proxy play through fluoropolymers in multiple new-age technologies like EVs, solar energy, 5G, Green Hydrogen etc	Has developed its own process technology for HFO. The company aims to launch 6-7 AIs in next 2-3 years	Post acquisition of stake by Anupam Rasayan the company has actively pursued Intermediates & Advance Intermediates and also
New Investments and Expansions	Completed a INR 5.4bn dedicated agrochemical intermediate plant in 2024. The company currently has a capacity of 20,000 MTPA of HF and aims to triple it to 60,000 MTPA in next two years at a cost of INR 4.5bn.	Re-initiated investments in the refrigerants space and restarted supplies of R125 (in FY23). It intends to pursue production of HFOs post patent expiry and thus has been producing R225 – a key intermediate. GFL is in the process of setting up an integrated battery chemicals complex with a total of INR 60 bn-- INR 2.5bn for initial capacity (to manufacture electrolyte salt and formulations, INR 1.0 bn for India's first PVDF solar film project to be commissioned in FY24.	The company is adding 5,000 MTPA PTFE capacity by H2FY24 at a cost of INR 11bn SRF is expanding its refrigerants capacity by 35% to 84,500mtpa (overall) by FY24-24E and has also developed its own process technology for HFO-the company is adding 7,500 MTPA of R22 capacity in FY24E and 15,000 MTPA of R32 swing capacity (R134a/125) by Oct'23. The company is expanding chloromethane capacity to 100,000 MTPA as of FY24E	Invested INR 102 crores to double the capacity of product, Anhydrous Hydrofluoric Acid (AHF) in 2024
Acquisitions if any and advantages	Acquisition of Manchester Organics in initial	None to discuss	HFC-125 assets and the technical know-how on an exclusive	Anupam Rasayan India Ltd. (ARIL)

	years, NFIL developed unique pharma innovator relationships catered through CRAMS segment.		basis from Meixchem provided the unique advantage of manufacturing all three major HFCs. One of the few manufacturers of Pharma grade HFA 134a/P in the world after acquisition of Dymel® HFA 134a/P from Dupont.	acquired a 24.96% stake in Tanfac Industries Limited (TIL) in 2022. Strong hold of Anupam Rasayan in CDMO and specialty intermediates was enhanced by addition of fluorination capability of Tanfac with in-house availability of HF and KF

5. Strategic Positioning of NFIL

NFIL is one of the largest and the most reputed manufacturers of Fluorochemicals in India. NFIL belongs to the Padmanabh Maftalal Group. The company was established in 1967. NFIL operates manufacturing facilities in Surat, Dahej and Dewas. The group's manufacturing facilities are easily accessed by ports, roads, and railways that helps access to vendors and customers.

The Surat facility specializes in the manufacture of refrigerants, various organic and inorganic fluorides. Some of the key products produced at the Surat facility include anhydrous hydrofluoric acid (AHF), R-22 and boron trifluoride with its adducts. The Dahej facility commenced commercial operations in 2023. The plant supplies HFO to Honeywell and two specialty chemical plants for fluorine based Agri intermediates. NFIL also has three R&D facilities located in Bhestan, Surat, Dewas and Manchester Organics Limited to support its R&D business activities. The R&D facility at Dewas and Manchester Organics Limited focusses on advanced fluoro and non-fluoro regulated starting materials and intermediates in the synthesis of pharmaceuticals at various clinical and commercial stages utilizing a wide spectrum of complex and specialized chemistry.

The company is commissioning a new 40,000 TPA Hydro Fluoric Acid (HF) plant with a CAPEX of INR 450 Cr, which will be commissioned by Q2FY26 to meet the growing demand for downstream products.The facility will increase the company's HF production capacity from 20,000 TPA to 60,000 TPA. NFIL is investing ₹288 crore in a cGMP-4 facility, with Phase 1 expected to be operational by Q3 FY2026.

NFIL operates one of the largest fluorination facilities in India and is one of India's largest manufacturers of anhydrous hydrofluoric acid (AHF) and diluted hydrofluoric acid. The company is also one the largest producers of inorganic fluorides such as ammonium bi-fluoride, potassium fluoride, sodium fluoride etc and has a significant market share in each of these products.

In the Speciality Chemicals business, many leading players including multinational companies having subsidiaries in India dominate domestic manufacturing, while CDMO involves key players such as PI Industries, Deccan Fine Chemicals and Anupam Rasayan have higher share. NFIL compete with SRF, GFL and LOIL with respect to their HPP business. To remain competitive in the markets, companies must continuously strive to reduce costs of production, innovate products and processes, manufacture new products,build efficient transportation and distribution and improve operating efficiencies.

Product differentiation:

The group is implementing a HFC 32 project based on gas-phase technology, which is a significant shift from the conventional liquid phase technology.

Technical Expertise:

One of the few companies in fluorination chemistry with experience, capability, and expertise in scale up from research to pilot and manufacturing. The company's facility is India's only plant with high pressure fluorination capabilities.

The company has proprietary R&D and process technology capacities for fluorine chemistry, and multi-year customer engagements. The fluorination capabilities include catalytic, non-catalytic, gas phase, and liquid phase fluorination using HF. Other specialised fluorination reactions include Balz- Schiemann, Schiemann and Swarts. Safe handlings of HF and Halogen exchange are NFIL's niche capabilities. The company has three state of the art R&D facilities in Bhestan, Surat (Gujarat)

The new HFC 32 plant that is being set up by the company is based on their in-house R&D

NFIL also boasts expertise in high pressure chemistry, vapor phase chemistry such as alkylation, ammoxidation, chlorination, fluorination, oxidation, hydrolysis, and diazotization. Expertise in chemistries including Friedel-Crafts, Bromination, Chlorination, Nitration, Sulfonation, Desulphonamidation, Halogen exchange, and Organometallics.

Surat unit is India's first integrated fluorochemicals complex and houses the Specialty Chemicals and HPP business operations. The CDMO operations of the company are carried out of Dewas, India's only plant with high pressure fluorination capabilities with cGMP compliance.

Raw Material Sourcing and Backward Integration:

As a feedstock de risking initiative, NFIL entered a Joint Venture with Gujarat Mineral Development Corporation Limited (GMDCL) and Gujarat Fluorochemicals Limited (GFL) for the purpose of beneficiation of fluorspar ores to be supplied to NFIL by GMDCL from its mines. NFIL has also entered a long-term supply contract with certain South African miners for the supply of fluorspar and is thus ensuring a diversified sourcing of the key raw material (Fluorspar) away from China. The company also has committed to procuring more than 30% of raw materials from ISO 9001, and ISO 14001 certified and socially responsible sources. The High Performance Products (HPP) business segment caters to high growth product intermediates of agrochemicals, construction etc apart from CDMO catering to major companies in the Pharmaceutical sectors.

In 2022, NFIL entered into a multi-year agreement with an MNC for the manufacture and supply of a key Fluro Specialty Chemicals with an investment of INR 540 Cr.

In 2022, the company entered a US$ 410 million contract with Honeywell for the manufacture and supply of a High-Performance Product in the fluorochemical space (Hydrofluroolefins). The company is investing INR 365 Cr for the dedicated manufacturing and INR 71 Cr for a captive power plant.The product is not part of existing NFIL's portfolio and will offer a new set of opportunities for application of fluorine in a completely new vertical. With this product, NFIL becomes the only manufacturer of HFO in India.

In 2024, the company has strategic contracts with Chemours and Fermion. **The CDMO segment reported a 141% year-over-year increase in revenue, supported by a robust order book ensuring strong revenue visibility.**

Company Evolution: Moving up the value chain

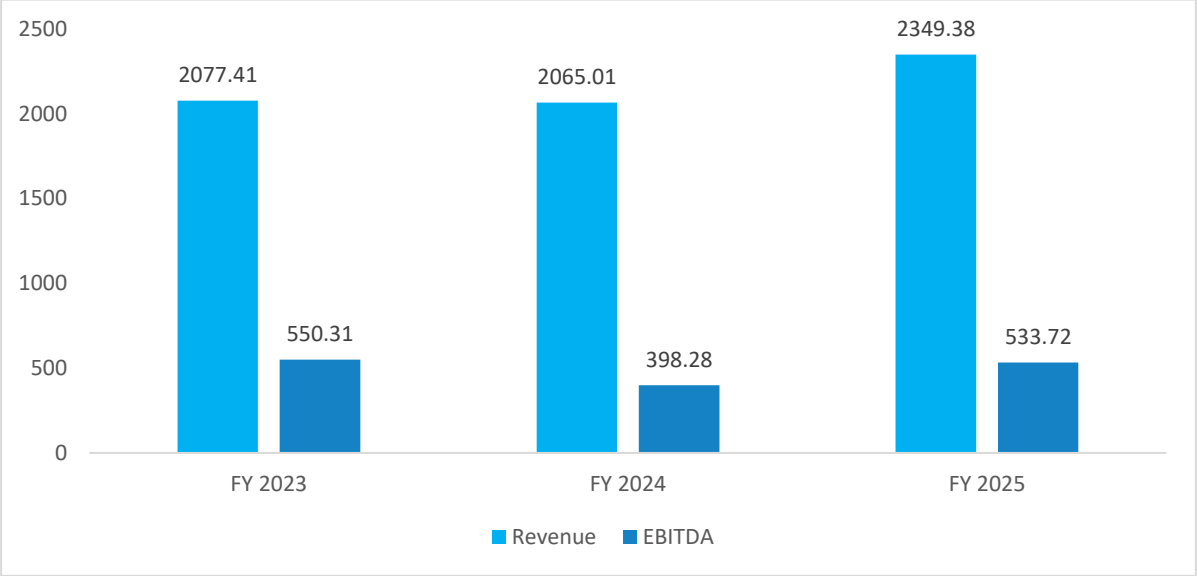
Time Period	
1967-2005	• Established the First Integrated Fluorochemicals Complex in South East Asia (excluding Japan) to produce HF, refrigerant gases and a range of inorganic fluorides at Surat, Western India
2006-2010	• New R & D Centre –Navin Research Innovation Centre (NRIC) at Surat, for development of New products and technologies. • Start-up of Pilot Plant for scale up of research and development molecules • Established Multi-purpose plant to manufacture about 15 variants of fluorochemicals and CRO at Surat
2011-2014	• Acquisition of Manchester Organics Limited, UK which enhanced company's capabilities to take more complex activities relating to fluorination and more value to company's specialty fluorochemicals portfolio • Expansion of multi-purpose plant at Surat • JV with Piramal to develop, manufacture and sell specialty fluorochemicals with specific focus on applications in healthcare.

2015-2024	• CRAMS cGMP multi-purpose plant established • Received US$ 410m contract for 7 years for a high-performance product in the fluorochemical space • Secured a significant contract with Fermion, contributing to the CDMO segment's growth • Entered into a strategic agreement with Chemours to manufacture Opteon • Tie up with BCT (Technology Partner) for Solar & Electronic grade HF

Well Established Track record of CAGR growth in Revenue

The company has registered a revenue growth (CAGR of 6.34% over the three years FY2023-2025)

Exhibit 5.1: Revenue from Operations and EBITDA, INR Crores (FY 2023 to FY 2025)



NFIL has gradually increased revenue by entering JVs with Pharma companies domestically and agro companies and fluorine majors globally. NFIL has a wholly owned subsidiary based out of United Kingdom, Manchester Organics (MOL), which is a global leader in fluorination and high-pressure chemistry, research, and manufacturing. There is ample scope for niche players who can manage the complexity of handling the fluorine chemistry as well as a good understanding of the high growth segments such as that of intermediates.

Notable Accomplishments

- Strong capabilities in high pressure, high temperature and vapour-phase fluorination
- The company engages with the customer right from the development stage or the discovery stage to commercialization stage. This has helped them to cater to 11 out of 20 major innovators in Pharma Industry
- Manchester Organics as part of the group with catalogue of 50,000 products has aided the CRAMS and specialty chemicals business, including non-fluorine products, as lot of new product enquiries has come from there. Any medicinal scientist or chemist within the Pharma and Agro companies looking for KSM's for any new product development look at this catalogue and approach the company thus acting as a starting point to convert to a business/contract for long term bulk quantities.
- The company has 60+ fluorinated products which have been commercialized to bulk quantities, 40+ of them are exported. Exports market is spread across all key geographies of North America (USA), Europe (Germany, Spain, France, Netherlands, Switzerland- the major chemical hubs), South East Asia and Middle East Africa.

OUR BUSINESS

*Please read "**Presentation of Financial and Other Information – Financial data and other Information**" on page 13 before reading this section. This section should also be read together with "**Selected Financial Information**", "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Industry Overview**" and "**Financial Statements**" on pages 32, 38, 88, 119 and 255, respectively.*

*This section contains forward-looking statements. Actual results of our Company, our Subsidiaries and our Joint Venture, may differ materially from those expressed in or implied by these forward-looking statements. See "**Forward-Looking Statements**" on page 16 for a discussion of the risks and uncertainties related to those statements and "**Risk Factors**" on page 38 for a discussion of certain factors that may affect our business, financial condition, results of operations or cash flows. Unless stated or the context requires otherwise, all financial information is presented on a consolidated basis, and such financial information contained in this Placement Document as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 are derived from the Financial Statements.*

Unless otherwise indicated, industry and market data used in this section has been derived from the F&S Report prepared and issued by Frost & Sullivan, appointed by us and exclusively commissioned and paid for by us in connection with the Issue. Frost & Sullivan has used various primary and secondary sources including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. References to "we", "us" or "our" in this section refers to our Company and our Subsidiaries on a consolidated basis.

Overview

We are the flagship company of the Padmanabh Mafatlal Group, and have over 50 years of expertise in handling fluorine and complex fluorine chemistry. We operate one of the largest fluorination facilities in India and are one of India's largest manufacturers of anhydrous hydrofluoric acid ("**AHF**") and diluted hydrofluoric acid and one of the world's largest manufacturers of BF3 (boron trifluoride) gas. (*Source: F&S Report*). We are also one of India's largest manufacturers of inorganic fluorides such as ammonium bi-fluoride, potassium fluoride and sodium fluoride and have a significant market share in each of these products (*Source: F&S Report*). We are the first Indian company to produce the R22 (chlorodifluoromethane) gas. (*Source: F&S Report*). We are the only company is India to manufacture hydro-fluoro-olefins, the new age refrigerants and SF4 (sulfur tetrafluoride) (*Source: F&S Report*). Over the years our capability and experience has been built to handle production and supply of fluorine based products efficiently and seamlessly (*Source: F&S Report*).

Over the past five decades, we have transitioned from being focussed on high volume commodity business to margin accretive businesses. From being pioneers in the refrigerant space, we have moved up the fluorine value chain by entering high margin and specialised businesses such as Specialty Chemicals and CDMO. We have established relationships with various marquee customers including global pharmaceutical and crop science majors, spread across North America, Europe, Middle East Asia and the Asia Pacific regions. Further, in Fiscal 2026, we have entered into an agreement with an American chemical company to manufacture and establish initial capacity of a innovative two phase immersion cooling fluid, a proprietary product of the American chemical company at our Surat unit.

We produce highly specialised fluorinated and non-fluorinated products across our business verticals i.e. specialty chemicals ("**Specialty Chemicals**"), contract development and manufacturing organization ("**CDMO**") and high performance products ("**HPP**") which find application in products segments such as life sciences, air conditioning, crop sciences, construction materials etc. catering to several global players. Under our Speciality Chemicals business, we produce *inter alia*, industrial gases, pharma and crop science intermediates for Indian as well as global majors. As part of our CDMO business, we manufacture pharma intermediates, which find application in early as well as late stage molecules and we also carry out research catering to global companies. Further, as part of our HPP business, we produce refrigerant gases (such as HCFC, HFC), HFO and inorganic fluorides, which find application in *inter-alia* air conditioning, pharma and construction markets.

Our three Indian manufacturing units are strategically located at Surat and Dahej (Gujarat, India), Dewas (Madhya Pradesh, India) in close proximity to multi modal logistical options that enhance access to vendors and customers and we also have a manufacturing facility at Runcorn (Cheshire, United Kingdom) where our product capacity is minimal in comparison to the Indian manufacturing facilities. The installed capacity of manufacturing facilities at Surat, Dahej and Dewas stood at 93,000 metric tonnes, 25,400 metric tonnes and 77,800 kilolitres respectively in Fiscal 2025. Our Surat unit is India's first integrated fluorochemicals complex and houses Specialty Chemicals and HPP business operations (*Source: F&S Report*). Our CDMO operations are carried out of our Dewas manufacturing unit, which is India's only plant with high pressure fluorination capabilities with cGMP compliance (*Source: F&S Report*) Our manufacturing units at Dahej and Surat are certified for ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015. We have invested ₹ 2,051 crore in capital expenditure over the last three financial years towards capacity addition across all the verticals and de-bottlenecking our manufacturing capacities. We expect our sustained investment in our manufacturing capabilities to help us deliver on our 3-Ps strategy of new products, platforms and partnerships.

We have adopted an integrated business model covering sourcing of raw materials, in house R&D, fluorination and manufacturing.

Our sourcing of raw materials is well diversified. We have added over 1,000 vendor partners in the last financial year alone allowing us to compete effectively with global players. We have alternate vendors for critical raw materials and are not dependent on any single vendor for supply of critical raw material. The most critical raw material for our business operations is Fluorspar and our facility at Dahej is well-equipped to handle and process Fluorspar from different sources and geographical locations. We believe this is an essential capability and it sets us apart from several of our competitors. We also have three R&D facilities in, Surat (Gujarat, India), Dewas (Madhya Pradesh, India) and Runcorn (Cheshire, United Kingdom).

The global chemicals market was valued at around USD 5,610 billion in 2024 and is expected to grow at 4.4% CAGR, reaching USD 6,980 billion by 2029 *(Source: F&S Report).* Going forward the Asia-Pacific region is anticipated to grow at the fastest rate during the forecast period of Fiscal 2024 – 2029 *(Source: F&S Report)*. Fluorochemicals are chemicals containing fluorine as an element are one of the most critical classes of chemicals that are used across applications. Fluoropolymers are widely used across the automotive, aircraft, semiconductor, and household appliances *(Source: F&S Report)*. Our specialisation in synthesis of fluorination and continued infrastructure development enable us to tap into the favourable momentum within the Indian chemical industry. While we have the capabilities to produce diverse chemistries, we continue to focus on fluorination. We have entered into long term contracts with key global life science and crop science innovators for the production of different specialised fluorinated and non-fluorinated products which helps us achieve more predictable and sustained revenues. We are also working closely with some of the leading innovators in the pharma industry. Our Company has also placed focus on the Montreal Pact ensuring development of products in the most environmentally friendly way especially in the HPP segment by manufacturing environment friendly HFOs and gases like R32.

Our revenue from operations has increased at a CAGR of 6.34% from ₹ 2,077.40 crore in Fiscal 2023 to ₹ 2,349.38 crore in Fiscal 2025. Certain key financial information is set forth below as per our Financial Statements:

(in ₹ crore, except ratios)

Particulars	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
Revenue from operations	2,349.38	2,065.01	2,077.40
Revenue from operations growth Y-o-Y (in %)	13.77%	(0.60)%	42.94%
Business Vertical (Revenue)			
a. HPP	1206.14	955.02	886.09
(HPP as a % of revenue from operations)	51.34%	46.25%	42.65%
b. Specialty Chemicals	800.42	847.97	743.07
(Specialty Chemicals as a % of revenue from operations)	34.07%	41.06%	35.77%
c. CDMO	342.82	262.02	448.24
(CDMO as a % of revenue from operations)	14.59%	12.69%	21.58%
Operating EBITDA[1]	533.72	398.28	550.31
Operating EBITDA margin	22.72%	19.29%	26.49%

(%)[2]			
Total profit for the year	288.58	270.50	375.18
PAT Margin[3]	12.06%	12.75%	17.75%
Return on Capital Employed (%) ("ROCE")[4]	11.06%	9.45%	17.06%
Return on Equity (%) ("ROE")[5]	11.52%	11.84%	18.62%
Net Debt / Total equity Ratio[6]	0.37	0.37	0.37
Working capital days[7]	90	103	138

1. Operating EBITDA = Profit before tax + Finance costs + Depreciation and amortisation expense - Exceptional item - Other income. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90
2. Operating EBITDA margin (%) = Operating EBITDA / Revenue from operation. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90
3. PAT Margin = Total profit for the year / total income
4. ROCE = Profit before exceptional items and tax add finance cost divided by capital employed. Capital employed is the sum of total equity, deferred tax liability, current and non current borrowings.
5. ROE = Total profit for the year divided by average total equity. Average total equity is calculated as simple average of total equity as of the last day of relevant fiscal and total equity as of the last day of the preceding fiscal.
6. Net Debt / Total equity ratio = Net debt divided by total equity for relevant fiscal. Net debt is calculated as sum of current borrowings, non current borrowings, current lease liabilities and non current lease liabilities less current investment and cash and cash equivalents. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91
7. Working capital days = Working capital / Revenue from operations X 365 where working capital is Inventories + Trade receivable - trade payable. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

Business Verticals

Our products and services are organised in three business verticals, namely, (i) HPP (ii) Specialty Chemicals; and (iii) CDMO.

The following table sets forth the revenue from operations contributed by each of our business verticals and the percentage of our revenue from operations for the Fiscals indicated:

(₹ in crore)

Category	Fiscal					
	2025		2024		2023	
	(₹ crore)	% of revenue from operations	(₹ crore)	% of revenue from operations	(₹ crore)	% of revenue from operations
HPP	1206.14	51.34%	955.02	46.25%	886.09	42.65%
Specialty Chemicals	800.42	34.07%	847.97	41.06%	743.07	35.77%
CDMO	342.82	14.59%	262.02	12.69%	448.24	21.58%

HPP

Being pioneers in the refrigerant space, we introduced refrigerants into India in 1967 by commissioning our manufacturing unit at Surat, Gujarat. We have since invested in building our capacities and diversifying our portfolio. Our HPP vertical currently houses our legacy refrigerant business. We are one of the largest Indian manufacturers of anhydrous hydrofluoric acid and diluted hydrofluoric acid, which caters to the requirements of pharma, solar, and steel industries (*Source: F&S Report*). Our global brand (Mafron) caters to stationary air-conditioning demands in India and overseas. In 2022 we started manufacturing hydro fluoro-olefins under a long-term supply arrangement with one of our customers and are the only company in India to manufacture hydro flouro-olefins (*Source: F&S Report*).

Specialty Chemicals

Our specialty chemicals business involves the manufacture of products that find application in the crop sciences and pharmaceutical industry. Under our Speciality Chemicals business, we produce, *inter alia*, industrial gases,

pharma and crop science intermediates for Indian as well as global majors. While our core chemistries are in respect of fluorination, we have also expanded over the years to deal with non-fluorination chemistries. Our Indian manufacturing units have well-equipped quality and assurance labs that are equipped with advanced equipment and are accredited with the National Accreditation Board for Testing and Calibration Laboratories to ensure that quality parameters are duly met in respect of our products. The business processes and systems are audited from time to time by some of our key customers.

CDMO

We offer CDMO for custom chemical syntheses of fluorinated compounds and non-fluorinated compounds for the pharmaceutical chemicals. We are building upon our experience and expertise in fluorine chemistry, fluorination and reagents, both in research and development and in manufacturing areas. Our offerings and capabilities in this regard include research, library synthesis, process development to help our clients scale up and then proceed to small and large batch manufacturing of such custom chemicals. We offer custom synthesis, and contract services to develop new cost-effective processes with short turnaround time. Our unit at Dewas Madhya Pradesh, along with one of our subsidiaries, Manchester Organics Limited which operates out of the United Kingdom offers a wide range of research and custom synthesis services spanning across areas of the chemical industry, including the pharmaceuticals industry.

Our key strengths in the CDMO vertical are as follows: (*Source: F&S Report*)

1. Our Company's CDMO operations are carried out of Dewas, India's only plant with high pressure fluorination capabilities with cGMP compliance, newly operational Dahej unit and Runcorn (United Kingdom) Unit, that was acquired in 2011, ramp up our CDMO capabilities.
2. Over the past few years, we have evolved our revenue profile from clinical projects to commercial projects, thereby ensuring a consistent revenue.
3. We have been investing in a range of competencies, from research to plant scale to ensure sustainable growth in the business.
4. We have established globally benchmarked standards of quality and safety.
5. We focus on making complex intermediates as compared to other CDMO businesses that focus on APIs and formulations.

Our Strengths

Our fluorination capabilities with expertise across the fluorine value chain

As a pure play fluorination company with over five decades of experience, we have extensive capabilities in complex fluorination chemistries. We have over the years, diversified, expanded and evolved our operations from high volume commodity focussed businesses to value accretive high margin businesses such as Specialty Chemicals and CDMO which have diverse applications across various industries including crop sciences and pharmaceuticals. The Company has established a sustainable revenue business backed by R&D and long-term revenue contracts. We believe diverse verticals across the fluorine value chain provides us a strategic advantage in catering to the diverse market requirements. HPP vertical houses our legacy business i.e. manufacturing and sale of refrigerant gases and inorganic fluorides.In 2022, we diversified to include high performance products such as HFOs backed by multiyear long-term contract with a key marquee customer. Our Specialty Chemicals business manufactures BF3 gas along with some complex intermediates for pharma and crop science markets. Our CDMO business is supported by fluorination technologies, including the use of complex reagents such as SF4 which caters to global major pharmaceutical companies. Further, we acquired Manchester Organics Limited in 2011 with a view to derive value from its fluorine R&D which could eventually lead to scale-up of operations in India. We intend to achieve this by having dedicated sales and marketing teams whose primary focus will be on business development in international markets.

Our commercialized product portfolio has expanded from a portfolio of 52 products in Fiscal 2023 to 68 products in Fiscal 2025.

Our businesses are knowledge intensive, involve complex chemistries, are subject to high quality standards and stringent impurity specifications for processes and products capabilities, and are based on complex products that

are difficult to replicate. Moreover, some of the raw materials that we use can be highly corrosive and require technical skill, expertise, and training to handle such chemicals in a safe manner. We believe that the level of technical skill and expertise that is essential for handling such chemicals can only be achieved over a period of time, creating an entry barrier for new entrants.

Our extensive expertise and experience has enabled us to showcase many 'firsts' in this field including being the first and only producer of hydro flouro-olefins in India, being one of the world's largest manufacturer of BF3 (boron trifluoride) gas, being the first Indian company to produce the R22 (chlorodifluoromethane) gas and the only Indian company manufacturing SF4 (*Source: F&S Report*). We believe that factors such as the highly technical and specialized nature of our business, continuous requirement for R&D, stringent quality benchmarks and certifications serve as effective entry barriers to new players in the industry.

Sustained and long-standing relationships with marquee customers and suppliers

Over the years, we have developed long-term relationships with various multinational corporations. Our customer relationships have helped us expand our product offerings, processes and geographic reach. Our customers are typically engaged in various industries, including pharmaceuticals, crop sciences, construction, air conditioning ,advanced materials and are spread across various geographies, which helps us mitigate risks resulting from customer, industry and geographic concentration. We have established relationships with various multinational corporations spread across North America, Europe, Middle East Asia and the Asia Pacific. In Fiscal 2025, we manufactured products for over 900 domestic and international customers. In Fiscal 2025, revenue from operations outside India accounted for 57.22% of our revenue from operations.We believe our customer relationships reflect our ability to develop innovative processes, meet stringent quality and technical specifications and manufacture customers' products in a cost effective, safe and environment friendly manner. As result, we have a history of high customer retention and have been manufacturing products for certain customers for over 10 years. With some customers we have contracts which are long-term in nature where the validity of the contract ranges between 5 to 7 years. We derive a significant proportion of our revenue from such long-term agreements with customers. Revenue generated from sales to our top 10 customers represented approximately 57% of our revenue from operations in Fiscal 2025. Further, long-term agreements help us plan our capital expenditure, enhance our ability to benefit from increasing economies of scale with stronger purchasing power for raw materials and a lower overall cost base, thereby maintaining a competitive cost structure to achieve sustainable growth and profitability.

Given the criticality of supply chain management within our ecosystem, we prioritise establishing strategic supply chain relationships that also help in diversifying our sources of supply. In Fiscal 2025, we added over 1,000 vendor partners to our supply chain.

Our research & development capabilities to handle complex reactions

Each of our business verticals is backed by our R&D capabilities. Strategic investments in R&D have been critical for our success to attain leading market positions. To protect our brand and competitiveness, we continue to build a research-based culture, which has consistently generated new products of higher grades delivered superior product outcomes and achieved superior customer satisfaction.

We have proprietary R&D and process technology capacities for fluorine chemistry, and multi-year customer engagements (*Source: F&S Report*). The fluorination capabilities include catalytic, non-catalytic, gas phase, and liquid phase fluorination using HF (*Source: F&S Report*). Other specialised fluorination reactions include Balz-Schiemann, Schiemann and Swarts (*Source: F&S Report*). Safe handlings of HF and Halogen exchange are our niche capabilities (*Source: F&S Report*). Our wholly owned subsidiary based out of United Kingdom, Manchester Organics Limited, is a global leader in fluorination and high-pressure chemistry, research, and manufacturing (*Source: F&S Report*). We also boast expertise in high pressure chemistry, vapor phase chemistry such as alkylation, ammoxidation, chlorination, fluorination, oxidation, hydrolysis, and diazotization (*Source: F&S Report*). We have expertise in chemistries including Friedel-Crafts, Bromination, Chlorination, Nitration, Sulfonation, Desulphonamidation, Halogen exchange, and Organometallics (*Source: F&S Report*).

We have dedicated in-house R&D facilities at our manufacturing units located at Surat (Gujarat, India) and in Dewas (Madhya Pradesh, India), and at our manufacturing unit at Runcorn (Cheshire, United Kingdom). Our Surat (Gujarat) facility specializes in the manufacture of refrigerants, various organic and inorganic fluorides (*Source: F&S Report*). Some of the key products produced at the Surat facility include anhydrous hydrofluoric acid (AHF), R-22 and boron trifluoride with its adducts (*Source: F&S Report*).

As of March 31, 2025, we had a dedicated team of over 108 employees in our research and development department, from various academic qualifications such as 18 employees having a Ph.D degree, 67 employees having a degree in masters of science, and other employees from other academic streams. Our research centres aim to work closely with clients to develop and manufacture products specific to their requirements.These centres support the design and development of commercially viable, safe and environmentally compliant chemical processes, and assist in manufacturing and process design for scale-up and technology transfer.

Our in-house research and development has consistently helped us generate new products and new product outcomes. We have also been able to expand our product portfolio from 52 products in fiscal 2023 to 68products in as of March 31, 2025. These innovations have helped secure long-term agreements with marquee customers. Our R&D teams work closely with our CDMO customers in innovating and developing technologies that can be applied effectively in our customers' processes and products.

During the Fiscals 2025, 2024 and 2023, our capital expenditures on research and development, were ₹ 4.82 crores, ₹ 80.10 crores and ₹ 5.65 crores respectively, representing 0.21%, 3.88%, and 0.27% respectively, of our revenue from operations, in such Fiscals.

Our manufacturing infrastructure enables us to provide high quality of products and services to customers

We operate one of the largest fluorination facilities in India and are one of India's largest manufacturers of anhydrous hydrofluoric acid ("**AHF**") and diluted hydrofluoric acid (*Source: F&S Report*). We operate four manufacturing units strategically located at Surat and Dahej (Gujarat,India), Dewas (Madhya Pradesh,India) and Runcorn (Cheshire, United Kingdom). Our Surat unit is India's first integrated fluorochemicals complex and houses our Specialty Chemicals and HPP business operations(*Source: F&S Report*). Our CDMO operations are carried out of Dewas, India's only unit with high pressure fluorination capabilities with cGMP compliance (*Source: F&S Report*). Our Surat (Gujarat) and Dahej (Gujarat) units are strategically located in close proximity to ports, making it convenient to import raw materials and export finished products.

Our integrated business model that includes sourcing of raw material, in house R&D, fluorination and manufacturing has allowed us to develop insights across the entire value chain right from process innovation and process development to performing custom synthesis. Our backward integration of manufacturing HF supports our manufacturing of a variety of refrigerant gases, HFOs and specialty chemicals reducing our reliance on imports, third party supplies and logistics costs, providing us the flexibility to control our manufacturing processes and improves our operating margins.

We are constantly focused on improving our production capabilities and product portfolio and accordingly undertake capital expenditure investments for such purpose. We have the capabilities to produce a wide range of quantities from grams scale to multi hundred tonnes, addressing the diverse needs of customers as part of our operations, acting as a one stop fluorine chemistry solution provider. We have invested in strengthening key technology platforms and building blocks as well as its multi-purpose units. We made payments towards property, plant and equipment of ₹ 757.71 crore, ₹ 732.39 crore and ₹ 561.14 crore in Fiscal 2023, Fiscal 2024 and Fiscal 2025 respectively, towards strengthening our manufacturing infrastructure, which represented 36.47%, 35.47% and 23.88%, respectively, of our revenue from operations. We expect our sustained investment in our manufacturing capabilities to help us deliver on new products, platforms and partnerships.

Health, safety and sustainability measures are at the core of our operations. Certain of our customers undertake customer audits to verify compliance with regulatory aspects, confirm supplier capability, quality and strategic fit, and to ensure that adequate safety and security measures are in place.

Strong financial performance

We have had a strong financial performance over the last three financial years with our revenue from operations has grown at a CAGR of 6.34% from ₹ 2,077.40 crore in Fiscal 2023 to ₹ 2,349.38 crore in Fiscal 2025. We have set out below a brief snapshot of our financial performance over last three Fiscals:

(in ₹ crore, except ratios)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations	2,349.38	2,065.01	2,077.40
Revenue from operations growth Y-o-Y (in %)	13.77%	(0.60)%	42.94%
Business Vertical (Revenue)			
a. HPP	1206.14	955.02	886.09
(HPP as a % of revenue from operations)	51.34%	46.25%	42.65%
b. Specialty Chemicals	800.42	847.97	743.07
(Specialty Chemicals as a % of revenue from operations)	34.07%	41.06%	35.77%
c. CDMO	342.82	262.02	448.24
(CDMO as a % of revenue from operations)	14.59%	12.69%	21.58%
Operating EBITDA[1]	533.72	398.28	550.31
Operating EBITDA margin (%)[2]	22.72%	19.29%	26.49%
Total Profit for the year	288.58	270.50	375.18
PAT Margin[3]	12.06%	12.75%	17.75%
Return on Capital Employed (%) ("ROCE")[4]	11.06%	9.45%	17.06%
Return on Equity (%) ("ROE")[5]	11.52%	11.84%	18.62%
Net Debt / Total equity Ratio[6]	0.37	0.37	0.37
Working capital days[7]	90	103	138

1. Operating EBITDA = Profit before tax + Finance costs + Depreciation and amortisation expense - Exceptional item - Other income. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90

2. Operating EBITDA margin (%) = Operating EBITDA / Revenue from operation. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 90

3. PAT Margin = Total profit for the year / total income

4. ROCE = Profit before exceptional items and tax add finance cost divided by capital employed. Capital employed is the sum of total equity, deferred tax liability, current and non current borrowings.

5. ROE = Total profit for the year divided by average total equity. Average total equity is calculated as simple average of total equity as of the last day of relevant fiscal and total equity as of the last day of the preceding fiscal.

6. Net Debt / Total equity ratio = Net debt divided by total equity for relevant fiscal. Net debt is calculated as sum of current borrowings, non current borrowings, current lease liabilities and non current lease liabilities less current investment and cash and cash equivalents. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

7. Working capital days = Working capital / Revenue from operations X 365 where working capital is Inventories + Trade receivable - trade payable. For further details, please refer to "Management's Discussion And Analysis Of Financial Condition and Results Of Operations – Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures" on page 91

Strategies

Diversify our product and services portfolio

We intend to continue to focus on our ability to customize products according to the specific requirements of our customers and broaden our portfolio through innovation, sustainable solutions, new chemistries and multi-step synthesis of niche products. Our R&D team is focused on building value added products, new innovative processes, scaling up the capacity of existing products while lowering the cost of production and improving the existing design parameters to increase the yields. Within our HPP vertical, we ensure that the development of our products are in environmentally friendly ways to ensure our commitment towards the Montreal Pact. Through our HPP vertical, we are also seeking to identify new opportunities with existing as well as new customers which could scale our business. We also aim to expand our range of offerings to include new age HFOs. Further, we plan to expand our presence into diverse emerging business sectors, including renewables and energy storage solutions for electric vehicles. In the Speciality Chemicals vertical, we intend to focus on our value proposition and deepen our relationships with global crop science and performance material companies. We propose to continue to grow our CDMO vertical and are pursuing various opportunities to improve our mix of late stage and commercial molecules with focus on complex chemistry which could be based on both fluorine and other chemistry. We also intend to enter into new long term contracts with our customers providing us sustainable revenues with better visibility.

Continue to expand our business

The Indian chemicals market is valued at USD 218 billion in the calendar year 2024 (with approximately 4% share in the global chemical industry) with the commodity chemicals accounting for more than 50%. It is expected to reach USD 330 billion by calendar year 2029, with an anticipated growth of 8.7% CAGR (*Source: F&S Report).* We intend to be a part of this growth story by continuing to invest in enhancing our presence in manufacturing partnerships with innovators in the crop science and performance material sectors and position ourselves as a reliable partner to downstream businesses and address the growing need for customers seeking reliable manufacturing partners. We intend to out-perform the market growth by proactively building sizeable manufacturing capacities that enhance customer confidence in entering or scaling relationships. We believe that the complement of scale, product mix and customer orientation can deepen our customer engagement reflecting in a larger wallet share.

India's specialty chemical companies are gaining favour with global multi-national companies because of the geopolitical shift after the outbreak of Covid-19 as the world looks to reduce its dependence on China (*Source: F&S Report*). We intend to focus on significant existing and prospective accounts and to strengthen our capabilities to facilitate growth of our revenue, supported by improved customer contracts. We intend to focus on increasing the wallet share of our existing customers and enrolling new customers who are seeking to broadbase their global supply chain by moderating an excessive dependence on China. Further, we intend to focus on early-stage process innovation and development that we believe will enable us to capitalize on the complete lifecycle of these products and give us the opportunity to be the initial suppliers for such customized speciality chemicals and strengthen our relationships with multinational corporations.

Expand Manufacturing Capacities

We will continue to add manufacturing capacities for our existing products as well as new products that we are in the process of developing and commercializing. Further, we expect that projects that may begin as CDMO projects will lead to strategic associations for commercial large-scale manufacturing of products and possibly introducing additional manufacturing capacity. To cater to the growing demand from our existing customers and to meet requirements of new customers, and to enter into our new phase of growth we intend to, and are in the process of, expanding our manufacturing capacities through new capex programmes. In Fiscal 2023, we commercialised our Dahej unit. We have a planned capital expenditure of ₹ 288.00 crores which we intend to utilise towards setting up new cGMP-4 unit at Dewas unit. This will be aimed at supporting the master supply agreement with a European CDMO customer. In addition to this, ₹ 450.00 crores was approved for setting up a 40,000 metric tonnes per annum anhydrous hydrogen fluoride unit at Dahej and we intend to commission this unit in the second quarter of Fiscal 2026. Further, in Fiscal 2026, we have announced a strategic partnership with an American chemical company for the manufacturing of a new liquid cooling product. Under this arrangement, we will establish a manufacturing facility at Surat, Gujarat, at an estimated capex of 14 million USD, which includes 5 million USD contribution by the American company. We expect this project to be operational by the first quarter in Fiscal 2027.

Continue to strengthen our presence in India and expand our sales and distribution network in international markets

As of March 31, 2025, our product portfolio catered to over 900 customers which included customers in over 25 countries. We enjoy relationships in excess of 10 years with 7 out of our top ten customers. We believe that the long-standing relationships that we have enjoyed with our customers over the years and the repeat and increased orders received are an indicator of our position as a preferred partner.

We intend to focus on increasing our wallet share with existing customers. We have built long-standing relationship with our customers through various strategic endeavours, which we intend to leverage by selling baskets of products to the same customers. In addition, we intend to continue to leverage our existing sales and marketing network, diversified product portfolio and our industry standing to establish relationships with new multinational, regional and local customers. We are expanding globally to serve our existing direct end-use customers as well as to secure new direct end-use customers and expand the reach of our products in new markets. We acquired Manchester Organics Limited in 2011 with a view to derive value from its fluorine R&D which could eventually lead to scale-up of operations in India. We intend to achieve this by having dedicated sales and marketing teams whose primary focus will be on business development in international markets.

Research and Development

We have three R&D facilities at Surat (Gujarat), Dewas (Madhya Pradesh) and Runcorn (Cheshire, United Kingdom). As of March 31, 2025, we had a dedicated team of over 108 employees in our R&D department, from various academic qualifications such as 18 employees having a Ph.D degree, 67 employees having a degree in masters of science, and other employees from other academic streams. The scientists at our R&D centres have been driving the development of new products and process technologies as well as undertaking technology development.

During the Fiscals 2025, 2024 and 2023, our capital expenditures on research and development, were ₹ 4.82 crores, ₹ 80.10 crores and ₹ 5.65 crores respectively, representing 0.21%, 3.88%, and 0.27% respectively, of our revenue from operations, in such Fiscals.

Manufacturing Facilities

We manufacture our products at 4 manufacturing units, located at Surat and Dahej (Gujarat), Dewas (Madhya Pradesh) and Runcorn (United Kingdom) backed by in-house R&D. Our three Indian manufacturing units are strategically located at Surat and Dahej (Gujarat, India), Dewas (Madhya Pradesh, India) in close proximity to multi modal logistical options that enhance access to vendors and customers and we also have a manufacturing facility at Runcorn (Cheshire, United Kingdom) where our product capacity is minimal in comparison to the Indian manufacturing facilities.We have installed environmental health and safety facilities and systems for treatment of solid, liquid and gaseous waste at our manufacturing units.

The total installed capacity information relating to our manufacturing facilities located at Surat, Dahej and Dewas for the last three Fiscals were as indicated in the table below:

Name of the entity that owns the manufacturing facility	Location	Unit	Annual installed capacity as of March 31,		
			2025	2024	2023
Navin Fluorine International Limited	Udhana – Navsari Road, Bhestan, Surat, Gujarat 395023, India	Metric tonne	93,000	92,500	87,000
Navin Fluorine Advanced Sciences limited	Plot No. D-2/11/A, GIDC Industrial Area, Phase II, Village Vadadla, Taluka Vagra, Bharuch District, Gujarat 395023, India	Metric tonne	25,400	23,900	23,500
Navin Fluorine International Limited	New Industrial Area No. 2 (Agra–Bombay Road), Dewas, Madhya Pradesh 455001, India	Kilolitres[1]	77,800	71,500	60,200

Certified by Annam Srinivasa Rao, Chartered Engineer, by way of his certificate dated July 7, 2025

[1] In Dewas unit, capacity is represented in kilolitres of reactors because the reactor volume directly determines the batch size and production throughput. Since many processes are batch-based, the total reactor volume provides a standardized and scalable measure of the plant's production capability across various formulations.

Further, the installed capacity, available capacity, actual production and capacity utilisation of our manufacturing units as Surat, and Dahej and Dewas for the last three fiscals were as stated in the table below:

Name of the entity that owns the manufacturing facility	Location	Unit	Installed capacity[1]	Available capacity[2]	Actual production	Capacity utilisation[3]
Fiscal 2025						
Navin Fluorine International Limited	Surat	Metric tonne	93,000	92,500	82,432	89.12%
Navin Fluorine Advanced Sciences limited	Dahej	Metric tonne	25,400	24,500	18,693	76.30%
Navin Fluorine International Limited	Dewas	Kilolitres	77,800	77,800	37,156	47.76%
Fiscal 2024						

Name of the entity that owns the manufacturing facility	Location	Unit	Installed capacity[1]	Available capacity[2]	Actual production	Capacity utilisation[3]
Navin Fluorine International Limited	Surat	Metric tonne	92,500	90,500	81,569	90.13%
Navin Fluorine Advanced Sciences limited	Dahej	Metric tonne	23,900	23,800	13,708	57.60%
Navin Fluorine International Limited	Dewas	Kilolitres	71,500	71,500	35,593	49.78%
Fiscal 2023						
Navin Fluorine International Limited	Surat	Metric tonne	87,000	87,000	76,998	88.50%
Navin Fluorine Advanced Sciences limited	Dahej	Metric tonne	23,500	15,133	12,497	82.58%
Navin Fluorine International Limited	Dewas	Kilolitres	60,200	60,200	31,561	52.43%

Certified by Annam Srinivasa Rao, Chartered Engineer, by way of his certificate dated July 7, 2025

1. The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed. It is determined after taking into account the product mix and cycle time and can be produced in the specific production line

2. The available capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full efficiency. It reflects the plant's true operational potential. This figure is not static; it is recalibrated each fiscal year to account for any new machinery or production lines added during the year. Please note that the installed capacity for each Fiscal year is adjusted on account of addition of capacity during the year

3. Capacity utilization has been calculated based on actual production made during the relevant fiscal year/ period, divided by the annual installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period

Notes:

1. The information relating to the installed capacity as of the dates included above is based on various assumptions and estimates that have been taken into account for the calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the chemical industry after examining the calculations and explanations provided by the Company. The assumptions are also based on the past experience of the management of the Company to manufacture the products. It also depends on the Product Mix that the Company has used to manufacture the various products in a stream in a plant. The assumption is also based on the three (3) shifts that the Company is running for eight hours a day. The assumptions and estimates taken into account include the following: (i) Number of working days in a fiscal year – 365/330/300 (depending on the demand of the product); (ii) Number of days in a month - 30; (iii) Number of shifts in a day – 3; and (iv) Available hours per day – 24.

2. It is assumed that the production capacity calculations are based on continuous operation, assuming that the manufacturing facility operates for the full duration without any significant interruptions or downtime with respective yield percentage.

3. The calculations assume that the production capacity is based on optimal operating conditions, where all equipment and machinery are functioning at their highest efficiency levels and the workforce is working at their maximum productivity.

4. It is assumed that the production rates remain relatively stable throughout the designated time frame considered for calculating the production capacity. This assumes a consistent demand for the product and a steady workflow without significant fluctuations.

5. The calculations assume standardized production processes and consistent product specifications. This means that the chemicals being manufactured is from the same recipe, with minimal variations in customizations.

6. The calculations may assume that the production capacity takes into account planned maintenance schedules and regular downtime for maintenance, repairs, and adjustments. This helps account for the time required for upkeep without impacting the overall capacity.

7. It is assumed that the necessary resources, such as raw materials, components, energy supply, and human resources, are readily available to support the production process. Adequate supply chain management and coordination are presumed to ensure uninterrupted production.

8. The calculations may assume specific work shifts, such as standard eight-hour shifts or multiple shifts per day, to determine the production capacity. The assumptions consider the working hours available within the designated time frame for manufacturing operations.

9. The calculations assume that the production processes are optimized and efficient, with minimal waste and high production yields. This assumes that the company has implemented measures to enhance production efficiency and minimize defects or rework.

10. Adequate storage infrastructure and efficient logistics systems are assumed to be in place for both raw materials and finished products.

11. Ambient temperature and humidity conditions are assumed to remain within normal operating ranges, without significantly affecting refrigeration or chemical processes.

12. The estimation considers that there are no significant disruptions due to supply chain issues, geopolitical factors, or transportation delays.

13. It is assumed that the plant has sufficient flexibility to handle minor variations in feedstock quality without impacting overall capacity.

14. The estimation presumes that all licenses, permits, and certifications required for production are valid and up to date.

15. It is assumed that the plant's safety protocols and emergency response systems are robust enough to prevent extended downtime due to incidents.
16. It is presumed that the plant's infrastructure, including pipelines, storage tanks, and loading facilities, is maintained in good condition and supports full-capacity operations.
17. The estimation assumes that any seasonal variations in temperature or humidity are accounted for in the design and operation of refrigeration and reaction systems.
18. The information relating to the actual production as of the dates included above is based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a fiscal year/period, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected production efficiencies.
19. Capacity utilization has been calculated based on actual production made during the relevant fiscal year/ period divided by the annual installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the FY 2025, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized or available installed capacity.
20. During our visit, it was observed that the plant was operating on a different shift schedule location-wise. There are production units which are operating in A,B,C shift and the General shift. However, for the purpose of calculating the annual installed capacity, the respective plant shift operation has been considered.
21. In determining the installed capacity, I have taken into account the records of the production done by the Company for each of the products at the Plant.
22. There is no single way to measure the capacity, and there are numerous factors to be considered, many of which are unique to a specific process or facility.
23. The production is also based on the demand for each product, which is manufactured by the company.
24. In the course of this exercise, I have relied upon the hardcopy, softcopy, email, documentary, and verbal information provided by the client without further verification with the assumption that the information provided to us is reliable, accurate, and complete in all respects.
25. The reactors capacity is identified as the capacity defining in the production process and, therefore, serves as the primary capacity-defining element for the plant. This assumption has been adopted as the basis for the current capacity estimation exercise.
26. A first-pass yield of 70-100% is considered, assuming minimal rework and acceptable rejection rates in line with industry benchmarks for specific production process respectively.
27. Operator efficiency is assumed to be at 90%, considering a trained workforce and stable workflow within the respective production section.
28. The production mix is based on a balanced ratio of standard and customized orders, with customization assumed to moderately affect throughput.
29. Availability of raw materials and critical consumables is assumed to be uninterrupted, with no production loss attributed to supply chain delays or material shortages.

Raw Materials

Our key raw materials include fluorspar, vinyl chloride monomer**,** carbon tetrachloride, boric acid, chloroform, mthylene dichloride, bromine, benzotrifluoride, 2,4-Dichlorobenzonitrile and fluorobenzene.

We have adopted an integrated business model covering sourcing of raw materials, in house R&D, fluorination and manufacturing. We source the majority of our raw materials from third-party suppliers in India, Africa, Europe and China. Our sourcing of raw materials is diversified. We have added more than 1000 vendor partners in the last financial year alone allowing us to compete effectively with global players.

Sales and Distribution Network

Our business operations and products primarily cater to the business-to-business vertical. Our sales and distribution activities are organized into India, United Kingdom, United States, Europe and Middle East Asia.

We have in-house teams which looks after the sales and marketing of our products. The sales teams are also segregated by products and are responsible for the sales of our products at the ground level. Our in-house teams focus on involving our R&D team to work closely with our customers or prospective customers to design products tailored to meet their specific requirements. In order to serve our existing direct end-use customers as well as to secure new direct end-use customers and expand the reach of our products to new markets, we have sales team focusing on North America, Europe and Asia. We have dedicated teams whose primary focus is on business development in international markets and in certain focus geographies, such as United Kingdom, United States Europe, Japan and Middle East Asia.

Environment, Health and Safety

We are subject to national, regional and local state laws and government regulations in India, including in relation to safety, environmental protection and labour. These laws and regulations impose controls on air and water discharge, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. We handle and use hazardous

materials in our R&D and manufacturing activities and any improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. Please see, "***Risk Factor - We are subject to increasingly stringent environmental, safety, health and labour laws and other applicable regulations, and the non-compliance with such laws and regulations may result in litigation, penalties, fines or cancellation or suspension of our operating licenses, may adversely affect our business, financial condition and results of operation****"* on page 42. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

We also have procured the ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 for our major operations at our manufacturing facilities at Dahej and Surat. Our manufacturing facility at Dewas has received the prestigious Madhya Pradesh Annual Environment award and the EcovadisAccreditation with gold medal.

Our administrative and human resources teams, from time to time, may adjust our internal policies to accommodate for material changes that have been implemented under the relevant labour and safety laws. This ensures our compliance with the applicable laws and regulations. In order to ensure the safety of our workforce, we implement operational procedures and safety measures across our manufacturing process. We provide our workforce with occupational safety education and training to enhance their awareness of safety issues. We also carry out equipment maintenance on a regular basis to ensure their smooth and safe operation.

Competition

The production of Speciality Chemicals require special technology know-how and cutting-edge research that only few companies can manage, hence the entry barrier in this segment of speciality chemicals is very high (*Source: F&S Report*). The Specialty Chemicals companies enjoy the strong entry barriers in the form of vendor acquisition, lengthy and complex product approval, registration process, customer loyalty among others (*Source: F&S Report*). These barriers help the companies to ensure sustainable growth (*Source: F&S Report*). Further, a distinguished and resilient business model is also a unique driver for these companies (*Source: F&S Report*). Companies specifically catering to FMCG, HPC and food ingredients enjoy strong entry barriers due to their differentiated models and higher levels of product customization (*Source: F&S Report*). The level of technical skill and expertise that is essential for developing in-house innovative processes, undertaking complex chemistries and handling some of the raw materials and intermediates, requires a significant amount of training that can only be achieved over a period of time thereby creating a further entry barrier for new entrants (*Source: F&S Report*). In the Speciality Chemicals business, besides our Company, leading players such as Aarti Industries, Atul Limited, Vinati Organics, Alkyl Amines dominate domestic manufacture. While CDMO involves key players such as PI Industries, Deccan Fine Chemicals and Anupam Rasayan which have higher share, we compete with SRF Limited and Gujarat Fluorochemicals Limited and Laxmi Organic Industries Limitedwith respect to their HPP business (*Source: F&S Report*). To remain competitive in our markets, we believe we must continuously strive to reduce our costs of production, innovate our products and processes, manufacture new products, transportation and distribution and improve our operating efficiencies.

Corporate and Social Responsibility

We have constituted a corporate social responsibility ("**CSR**") committee of our Board of Directors (the "**CSR Committe**e") and have adopted a CSR policy and our CSR activities are focused on, amongst others, environment sustainability, education, and health facilities. In Fiscals 2025, 2024 and 2023, our expenditure on corporate social responsibility was ₹7.95 crore, ₹7.99 crore and ₹6.15 crore, respectively. Certain key highlight of our CSR initiatives includes contributions to the Shri Sadguru Seva Sangh Trust, Charutar Arogya Mandal Hospital, Blind People's Association, Olympic Gold Quest (OGQ), JJ Hospital, PM CARES, Society for Rehabilitation of Crippled Children, Consumer Education and Research Centre and Prayas. We also operate mobile health vans that provide regular healthcare services addressing various health concerns, including respiratory, gastro-intestinal, fever, ENT, eye, dental, skin and chronic diseases, in villages of Surat and Dewas. The Company has also allocated funds to provide stationery items to schools in villages surrounding Surat. Further, we invested in the repair and maintenance of six RO water systems installed in schools located around Dewas to ensure access to clean and safe drinking water for around 2,700 students and their overall well-being.

Insurance

Our operations are subject to hazards inherent in manufacturing units such as risk of equipment failure, work accidents, fire, chemical spillage, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include industrial all risk policy, burglary, boiler and pressure plant policy, money insurance, public liability, group personal accident, portable equipment, workers compensation, fidelity guarantee, marine cargo open policy, cyber and crime, duplicate share and fire policy.

Awards and Certifications

We have won several awards over the years including:

Calendar Year	Award
2023	'Social: Health and Safety Excellence Award' at ESG 2023 Corporate Award (Large Enterprise) conducted by National Summit on Environmental, Social and Governance 2023
	'Energy Conservation and Environmental Sustainability' at the Energy Savings Champion Award conducted by Forbes Marshal
2024	Madhya Pradesh Annual Environment award
2025	Ecovadis Accreditation with gold medal

Employees

As of March 31, 2025, we employed approximately 1498 full-time employees globally. Our employees include, among others, engineers, management graduates, chartered accountants and persons from other professionally qualified streams performing managerial or supervisory roles, who are recruited from college or laterally from other organizations.

We have a structured approach towards training and development of our management and non-management staff. Our workmen and staff cadres are skilled to handle various roles at our manufacturing facilities, and skill development through a rigorous implementation of skill matrix methodology is undertaken as a key focus area.

In terms of the evaluation process for our employees, periodic performance assessments are conducted at regular intervals for all employees and feedback is duly provided for improvement. Our Company has a performance management system that has evolved with time and we ensure proper evaluation of management cadre employees on the achievement status of their key performance indicators.

Properties

The details of our Registered and Corporate Office and our manufacturing facilities as on the date of this Placement Document is set out below:

S. No.	Nature of use of facilities	Address	Leased / Owned / Licensed
1.	Registered and Corporate Office	602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai, Maharashtra – 400 069, India	Leased
2.	Facility at Surat, Gujarat	Udhana – Navsari Road, Bhestan, Surat, Gujarat 395023, India	Owned
3.	Facility at Dewas, Madhya Pradesh	Plot No. 1 and 1A, Industrial Area No. 2, Dewas, Madhya Pradesh, India	Leased
4.	Facility at Bharuch, Gujarat	D-2/11/A, Dahej Industrial Area, GIDC Phase II, Village Vadadla, Tuluka – Vagra, District – Bharuch, Gujarat, India	Leased
5.	Facility at Runcorn	The Heath Business &, Technical Park, Runcorn, Cheshire WA7 4QX United Kingdom	Licensed

S. No.	Nature of use of facilities	Address	Leased / Owned / Licensed
	(Cheshire, United Kingdom)		

ORGANIZATIONAL STRUCTURE

Corporate History

Our Company was originally incorporated as 'Polyolefins Rubber Chemicals Limited' on June 25, 1998 as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 25, 1998 issued by the ROC and received a certificate of commencement of business from the RoC on August 7, 1998. Thereafter, the name of our Company was changed from 'Polyolefins Rubber Chemicals Limited' to Navin Fluorine International Limited and subsequently, a fresh certificate of incorporation consequent on change of name was issued on October 6, 2004 by the RoC.

The corporate identification number of our Company is L24110MH1998PLC115499 and the registered office of our Company is situated at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400 069, Maharashtra, India.

Organizational Structure

As of the date of this Placement Document, we have six Subsidiaries (including one step-down Subsidiary) and one Joint Venture

Subsidiaries

1. Manchester Organics Limited;
2. NFIL (UK) Limited;
3. Navin Fluorine (Shanghai) Co. Limited;
4. Navin Fluorine Advanced Sciences Limited; and
5. Sulakshana Securities Limited.

Step-down Subsidiary

1. NFIL USA Inc.

Joint Venture

1. Swarnim Gujarat Fluorspar Private Limited.

Details of Subsidiaries and Joint Venture

Sr. No.	Name of Entity	Registered Address
Subsidiaries		
1.	Manchester Organics Limited	The Heath Business &, Technical Park, Runcorn, Cheshire, WA7 4QX
2.	NFIL (UK) Limited	C/O Manchester Organics Limited, The Heath Business &, Technical Park, Runcorn, WA7 4QX
3.	Navin Fluorine (Shanghai) Co. Limited	Suite No. 215, No. 1788 Caoyang Road, Putuo District, Shangai, China
4.	Navin Fluorine Advanced Sciences Limited	Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai– 400 069, Maharashtra, India
5.	Sulakshana Securities Limited	1st Floor, Mafatlal Centre, Nariman Point, Mumbai 400 021, Maharashtra, India
Step-down Subsidiary		
1.	NFIL USA Inc.	47, Bond Street Bridgewater, NJ 08807, USA
Joint Venture		
1.	Swarnim Gujarat Fluorspar Private Limited	7th Floor, Khanij Bhavan, Near Gujarat University Ground, 132 ft Ring Road, Vastrapur, Ahmedabad, Gujarat – 380 052, India

For further details, see "***Definitions and Abbreviations***" and "***Financial Statements***" on pages 21 and 255, respectively.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles. In accordance with the Articles, our Company shall not have less than three Directors and more than 15 Directors, provided that our Company may appoint more than 15 Directors after passing a special resolution.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter may be re-appointed after expiration of three years of ceasing to be an Independent Director. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as of the date of this Placement Document:

Sr.No.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
1.	**Vishad Padmanabh Mafatlal** ***Address***: 1001, 10th Floor, Lodha Altamount, S.K Barodawala Road, Altamount Road, Cumbala Hill, Mumbai – 400 026, Maharashtra, India ***Occupation****:* Industrialist ***Nationality****:* Indian ***Term****:* With effect from July 31, 2023 and liable to retire by rotation ***DIN***: 00011350	51	Executive Chairman
2.	**Nitin Ganpati Kulkarni** ***Address***: B-204, Tara Tower, Srishti Complex, Saki Vihar Rd, Opp. L&T Gate No. 7, Powai, Mumbai 400 072, Maharashtra, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* For a period of five years with effect from June 24, 2024 and liable to retire by rotation ***DIN***: 03042587	54	Managing Director
3.	**Sudhir Ramchandra Deo** ***Address:*** Flat No. A-3 Alaknanda CHS, Plot No. 24 B, Sector-14, Opposite PKC Hospital Vashi, Navi Mumbai, Thane - 400 703, Maharashtra, India ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** With effect from September 28, 2023 and	70	Non-Executive Non-Independent Director

Sr.No.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
	liable to retire by rotation ***DIN***: 01122338		
4.	**Sunil Siddharth Lalbhai** ***Address***: Lalbhai cottage 13, Byramji Gamadia road, Mumbai -400 026, Maharashtra, India ***Occupation****:* Industrialist ***Nationality****:* Indian ***Term****:* With effect from June 25, 2024 and liable to retire by rotation ***DIN***: 00045590	65	Non-Executive Non-Independent Director
5.	**Atul Kumar Srivastava** ***Address***: A/205 Oberoi Woods Coop. Housing Society Limited, Mohan Gokhale Marg, Near Oberoi International School, Goregaon East, Mumbai – 400 063, Maharashtra, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* For a period of five years with effect from June 21, 2024 and not liable to retire by rotation ***DIN***: 00046776	73	Non-Executive Independent Director
6.	**Ashok Sinha** ***Address***: A-2902, 29th Floor, A Wing, Lodha Bellissimo, N M Joshi Marg, Apollo Mill Compound, Mahalaxmi, Mumbai 400 011, Maharashtra, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* For a period of five years with effect from October 28, 2020 and not liable to retire by rotation ***DIN***: 00070477	73	Non-Executive Independent Director
7.	**Sujal Anil Shah** ***Address***: 701, Mayfair Kumkum S.V road, Next to Bank of India, Andheri West, Andheri Railway Station, Mumbai - 400 058, Maharashtra, India ***Occupation****:* Professional ***Nationality****:* Indian	56	Non-Executive Independent Director

Sr.No.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
	Term: For a period of five years with effect from May 7, 2021 and not liable to retire by rotation ***DIN***: 00058019		
8.	**Apurva Purohit** ***Address***: 1101, Signia Pearl, 11th floor, Bandra Kurla Complex, Opp Trident Hotel Bandra East, Mumbai, Andheri Mumbai Suburban, – 400 051 Maharashtra, India ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** For a period of five years with effect from October 19, 2021 and not liable to retire by rotation ***DIN***: 00190097	58	Non-Executive Independent Director
9.	**Abhijit Jagdish Joshi** ***Address***: 1501, 15th Floor, 9A Residences, Co-op Housing Society Ltd., Bomanji Petit Road, Behind Parsi General Hospital, Cumballa Hill, Mumbai 400 026, Maharashtra, India ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** For a period of five years with effect from May 7, 2024 and not liable to retire by rotation ***DIN***: 07115673	56	Non-Executive Independent Director

Biographies of our Directors

Vishad Padmanabh Mafatlal is the Executive Chairman of our Company. He is associated with our Company since January 21, 2003. Currently, he holds directorship in Mafatlal Services Limited, Tropical Clothing Company Private Limited, Navin Fluorine Advanced Sciences Limited, Cebon Apparel Private Limited, Mafatlal Impex Private Limited, Manchester Organics Limited, U.K. and Heyday Investments Holdings Limited.

Nitin Ganpati Kulkarni is the Managing Director of our Company. He is associated with our Company since June 24, 2024. Currently, he holds directorship in Navin Fluorine Advanced Sciences Limited, Manchester Organics Limited, Mangilal Amrutben Shah Foundation, Navin Fluorine (Shanghai) Co. Limited and NFIL (UK) Limited.

Sudhir Ramchandra Deo is the Non-Executive Non-Independent Director of our Company. He is associated with our Company since September 28, 2023. Currently, he holds directorship in NGL Fine-Chem Limited.

Sunil Siddharth Lalbhai is the Non-Executive Non-Independent Director of our Company. He is associated with our Company since March 3, 2003. Currently, he holds directorship in The Bombay Dyeing and Manufacturing Company Limited, Amal Limited, Atul Limited, Atul Rajasthan Date Palms Limited, Atul Bioscience Limited, BAIF Institute for Sustainable Livelihoods and Development and Britannia Industries Limited.

Atul Kumar Srivastava is the Non-Executive Independent Director of our Company. He is associated with our

Company since January 21, 2003. Currently, he holds directorship in Mafatlal Industries Limited and Navin Fluorine Advanced Sciences Limited.

Ashok Sinha is the Non-Executive Independent Director of our Company. He is associated with our Company since October 28, 2020. Currently, he holds directorship in J.K. Cement Limited, The Tata Power Company Limited, Tata Power Delhi Distribution Limited and Tata Communications Limited.

Sujal Anil Shah is the Non-Executive Independent Director of our Company. He is associated with our Company since May 7, 2021. Currently, he holds directorship in, Navin Fluorine Advanced Sciences Limited, Deepak Fertilisers and Petrochemicals Corporation Limited, NOCIL Limited, Atul Limited, Rudolf Atul Chemicals Limited, Bombay Dyeing and Manufacturing Company Limited, SSPA Consultants Private Limited and Thriarr Polymers Private Limited.

Apurva Purohit is the Non-Executive Independent Director of our Company. She is associated with our Company since October 19, 2021. Currently, she holds directorship in LTI Mindtree Limited, L&T Technology Services Limited, Marico Limited, Schloss Bangalore Limited, Schloss Chanakya Private Limited and Aazol Ventures (Mumbai) Private Limited.

Abhijit Jagdish Joshi is the Non-Executive Independent Director of our Company. He is associated with our Company since May 7, 2024. Currently, he holds directorship in Step Up Charitable Foundation and Cipla Limited.

Relationship with other Directors

None of our Directors are related to each other.

Borrowing powers of our Board

In accordance with the Articles of Association of our Company, the Companies Act, 2013, and pursuant to a resolution dated April 28, 2014, passed by our Board and resolution dated June 25, 2014 passed by the Shareholders of our Company, in accordance with Section 180(1)(c) of the Companies Act, 2013, our Board is empowered to borrow monies in accordance with applicable law, provided that the funds borrowed or to be borrowed, shall not at any time exceed an amount of ₹ 150 crores over and above the aggregate of the paid-up share capital of the Company and its free reserves.

Interests of the Directors

All the Directors may be deemed to be interested in our Company to the extent of their shareholding, remuneration, including compensation payable to them for attending meetings of our Board or committees thereof. Our Directors may also be interested to the extent of remuneration and/or service fees received by entities or firms that they are interested in. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, their relatives and associates or companies, firms, partnerships, HUFs, or entities in which they are interested as directors, members, partners, karta, trustees, executive officers, and to the extent of benefits arising out of such shareholding.

Our Non-Executive Non-Independent Directors, Sudhir Ramchandra Deo and Sunil Siddharth Lalbhai and our Non-Executive Independent Director, Sujal Anil Shah are associated with companies which are engaged in the same line of business as our Company and its Subsidiaries.

Further, one of our Non-Executive Independent Directors, Abhijit Jagdish Joshi, is associated with Veritas Legal, Advocates and Solicitors ("**Firm**"), a law firm providing certain legal services to our Company and its related entities for which the Firm receives professional fees for the services provided. Abhijit Jagdish Joshi may be interested in our Company to the extent of benefits arising out of his association with the Firm in his capacity as partner of the Firm.

Except as provided in "***Financial Statements***" on page 255, there have been no related party transactions between our Company and any of the Directors during the three Fiscals immediately preceding the date of this Placement Document. Further, in the current Fiscal, none of the directors have entered into any additional type of related party transactions, other than disclosed in the related party transactions of our Company for the periods mentioned above. For further details on the related party transactions mentioned above, see "***Related Party Transactions***" on

page 37. Further, our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of our Directors

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Placement Document:

Sr. No.	Name of the Director	Number of Equity Shares	Percentage (%) shareholding
1.	Vishad Padmanabh Mafatlal	3,26,349	0.66
2.	Sunil Siddharth Lalbhai	5,500	0.01
3.	Atul Kumar Srivastava	16,000	0.03
4.	Apurva Purohit	838	0.00

Terms of Appointment of Directors

1. Remuneration to Executive Directors

Vishad Padmanabh Mafatlal

The remuneration payable to Vishad Padmanabh Mafatlal was approved by a resolution of our Board dated May 7, 2021, and the resolution of our Shareholders dated July 26, 2021. Further, our Board pursuant to its resolution dated May 9, 2025, in accordance with the powers conferred vide Shareholders' resolution dated July 26, 2021 has revised the terms of the remuneration payable to Vishad Padmanabh Mafatlal. A description of remuneration payable to Vishad Padmanabh Mafatlal is provided below:

Salary Components	Description
Basic Salary	₹ 2,13,00,000 per annum
Perquisites	(i) Fully furnished house or house rent allowance in lieu thereof not exceeding ₹ 2.21 crores per annum. (ii) Expenditure incurred on gas, electricity, water etc. (iii) Medi claim policy, personal accident insurance, leave travel concession and club fees
Commission	Commission on the annual net profits of the Company as decided by the Board at the end of each financial year*

* *Computed as per section 198 of the Companies Act, 2013, subject to the ceiling laid down in section 197 of the Companies Act, 2013 on the total remuneration.*

Nitin Ganpati Kulkarni

The remuneration payable to Nitin Ganpati Kulkarni was approved by a resolution of our Board dated June 24, 2024, and resolution of our Shareholders dated August 1, 2024. Further, our Board pursuant to its resolution dated May 9, 2025, in accordance with the powers conferred vide Shareholders' resolution dated August 1, 2024 has revised the terms of the remuneration payable to Nitin Ganpati Kulkarni. A description of remuneration payable to Nitin Ganpati Kulkarni is provided below:

Salary Components	Description
Basic Salary	₹ 1,67,00,000 per annum
Perquisites	(i) Personal allowance not exceeding ₹ 2.72 crores per annum. (ii) Fully furnished house or house rent allowance not exceeding ₹ 0.83 crores per annum in lieu thereof. (iii) Mediclaim policy, personal accident insurance, leave travel concession and club membership fees as per the rules of the Company. (iv) Free use of the Company's car for the business of the Company with reimbursement of driver's salary. (v) Free telephone facility at residence and use of mobile phone facility. (vi) Reimbursement of expenses actually and properly incurred by him for the business of the Company.
Commission	Up to 1% of the annual net profits of the Company as may be decided by the Board at the end of each financial year during his tenure*

* *Computed as per section 198 of the Companies Act, 2013, subject to the ceiling laid down in section 197 of the Companies Act, 2013 on*

the total remuneration.

Compensation to the Executive Directors

The following table sets forth the compensation paid by our Company to the Executive Directors of our Company during the current Fiscal from April 1, 2025, till the date of this Placement Document and for Fiscals 2025, 2024 and 2023:

(in ₹ crore)

S. No.	Name of Director	Remuneration			
		Remuneration for the current Fiscal (from April 1, 2025 till the date of this Placement Document)	Fiscal 2025	Fiscal 2024	Fiscal 2023
1.	Vishad Padmanabh Mafatlal	1.01	9.85	8.11	10.67
2.	Nitin Ganpati Kulkarni	1.25	6.83	Nil	Nil

2. Remuneration of the Non-Executive Directors

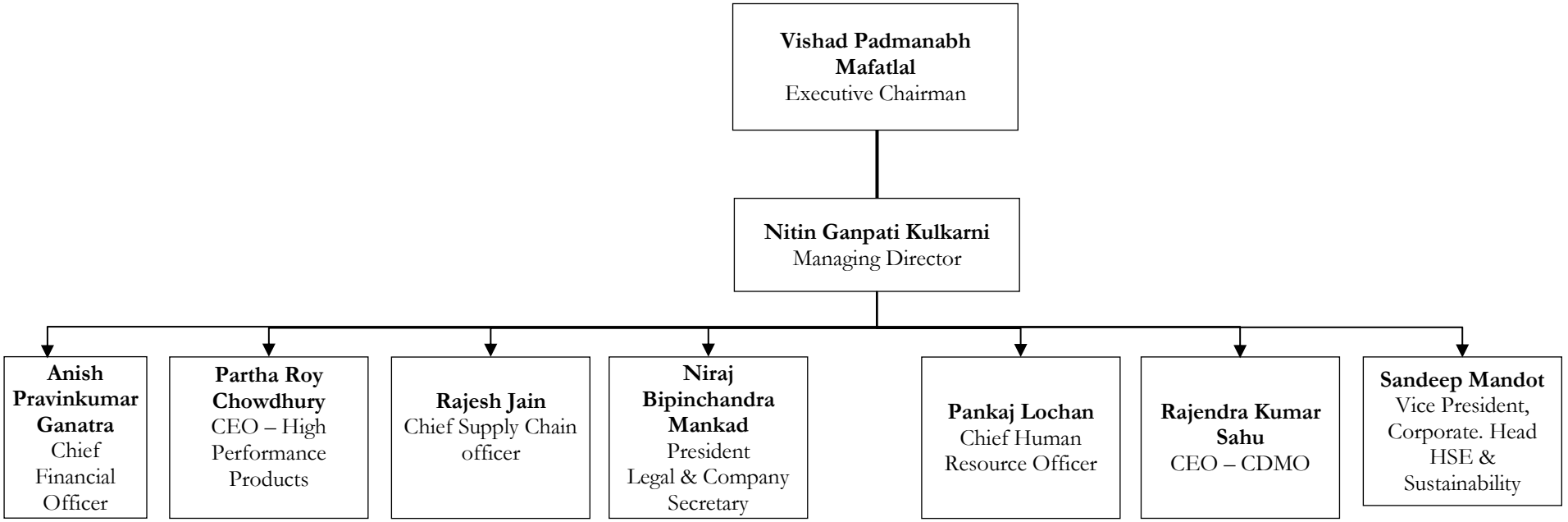
Our Non-Executive Directors are entitled to receive sitting fees for attending meetings of our Board of Directors or any of its committee and reimbursements of expenses. Pursuant to the resolutions passed by our Board of Directors, our Non-Executive Directors are entitled to sitting fees of ₹ 55,000 for attending each meeting of the Board of Directors, Committees thereof and separate meetings of Independent Directors effective from April 1, 2025.

The following table sets forth the compensation paid by our Company to our Non-Executive Directors during current Fiscal from April 1, 2025, till the date of this Placement Document and for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(in ₹ crore)

Sr. No.	Name of the Director	Remuneration for the current Fiscal (from April 1, 2025, till the date of this Placement Document)	Fiscal 2025	Fiscal 2024	Fiscal 2023
1.	Sunil Siddharth Lalbhai	0.03	0.34	0.29	0.35
2.	Atul Kumar Srivastava	0.03	0.34	0.27	0.33
3.	Ashok Sinha	0.03	0.33	0.26	0.31
4.	Sujal Anil Shah	0.04	0.34	0.26	0.31
5.	Apurva Purohit	0.02	0.32	0.26	0.32
6.	Sudhir Ramchandra Deo	0.02	0.32	0.24	Nil
7.	Abhijit Jagdish Joshi	0.02	0.28	Nil	Nil

Organizational chart of our Company



Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to the Executive Chairman and the Managing Director, whose details are provided in "***-Board of Directors***" on page 185, the details of our other Key Managerial Personnel in terms of the Companies Act, 2013, SEBI LODR Regulations and the SEBI ICDR Regulations as on the date of this Placement Document are set forth below:

S. No.	Name of Key Managerial Personnel	Designation
1.	Anish Pravinkumar Ganatra	Chief Financial Officer
2.	Niraj Bipinchandra Mankad	President – Legal and Company Secretary

Brief biographies of Key Managerial Personnel

Vishad Padmanabh Mafatlal is the Executive Chairman of our Company. For further details see *"–**Board of Directors***" and "***Remuneration to Executive Directors***" on pages 185 and 189, respectively.

Nitin Ganpati Kulkarni is the Managing Director of our Company. For further details see *"–**Board of Directors***" and "***Remuneration to Executive Directors***" on pages 185 and 189, respectively.

Anish Pravinkumar Ganatra is the Chief Financial Officer of our Company. He has been associated with our Company since February 9, 2023. For fiscal 2025, he was paid a remuneration of ₹ 3.84 crores.

Niraj Bipinchandra Mankad is the President – Legal and Company Secretary of the Company. He has been associated with our Company since January 21, 2003. For fiscal 2025, he was paid a remuneration of ₹ 1.79 crores.

Senior Management

In addition to Anish Pravinkumar Ganatra, Chief Financial Officer of our Company and Niraj Bipinchandra Mankad, the President – Legal and Company Secretary of our Company who are also our Key Managerial Personnel and whose details are provided above in "*–Key Managerial Personnel*", the details of our Senior Management as on the date of this Placement Document are as set forth below:

Senior Management		
1.	Partha Roy Chowdhury	CEO – High Performance Products
2.	Pankaj Lochan	Chief Human Resource Officer
3.	Rajendra Kumar Sahu	CEO – CDMO
4.	Sandeep Mandot	Vice President – Corporate Head – HSE & Sustainability
5.	Rajesh Jain	Chief Supply Chain Officer

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed below and in "***-Shareholding of Directors***" on page 189, none of our Key Managerial Personnel and members of our Senior Management hold Equity Shares in our Company as of the date of this Placement Document:

Sr. No.	Name	Number of Equity Shares	Percentage (%) shareholding
1.	Niraj Bipinchandra Mankad	13,800	0.03

Relationship

None of our Key Managerial Personnel and the members of our Senior Management are related to each other or to the Directors.

Corporate Governance

Our Board presently consists of 9 Directors. In compliance with the requirements of the SEBI Listing Regulations, our Board consists of 7 Non-Executive Directors and 5 Independent Directors (including 1 woman Independent Director).

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations

and the Companies Act, 2013, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective and independent Board, separation of our Board's supervisory role from the senior management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013, the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Placement Document:

Sr. No.	Committee	Name and designation of Members
1.	Audit Committee	i. Sujal Anil Shah (Chairman) ii. Sunil Siddharth Lalbhai; iii. Ashok Sinha; and iv. Atul Kumar Srivastava.
2.	Nomination and Remuneration Committee	i. Apurva Purohit (Chairperson); ii. Sujal Anil Shah; and iii. Sunil Siddharth Lalbhai.
3.	Stakeholders' Relationship Committee	i. Atul Kumar Srivastava (Chairman); ii. Vishad Padmanabh Mafatlal; and iii. Sujal Anil Shah.
4.	Corporate Social Responsibility Committee	i. Ashok Sinha (Chairman); ii. Vishad Padmanabh Mafatlal; and iii. Sudhir Ramchandra Deo.
5.	Risk Management Committee	i. Vishad Padmanabh Mafatlal (Chairman); ii. Atul Kumar Srivastava; iii. Sudhir Ramchandra Deo; iv. Nitin Ganpati Kulkarni; v. Anish Pravinkumar Ganatra; and vi. Lalit Soni.

Other Confirmations

None of the Directors, Key Managerial Personnel, or Senior Management or the Promoters of our Company have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company, nor the Directors or the Promoters are identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Neither our Company, nor our Directors nor our Promoters are debarred from accessing capital markets under any order or direction made by SEBI, the Stock Exchanges or any other regulatory authority. Further, none of our Directors have been declared as a Fugitive Economic Offender.

None of our Directors, our Promoters, Key Managerial Personnel or Senior Management of our Company intend to subscribe to the Issue.

No change in control of our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to our Company and its employees and requires our Company to implement a

code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information ("**Code**") in accordance with the SEBI Insider Trading Regulations, as per which, the managing director and in his absence, the Chief Financial Officer, and in his absence, the Company Secretary is the chief investor relations officer for the purposes of the Code.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company including details with regard to loans made or guarantees given or securities provided during the last three Financial Years, immediately preceding the year of circulation of this Placement Document, see "***Related Party Transactions***" and "***Financial Statements***" on pages 37 and 255, respectively.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company, as on March 31, 2025, is set forth below.

Summary Statement holding of specified securities:

Sr.	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	10	1,41,01,724	-	-	1,41,01,724	28.44	1,41,01,724	-	1,41,01,724	28.44	-	28.44	-	-	1,50,000	1.06	1,41,01,724
(B)	Public	1,38,997	3,54,79,481	8,920	-	3,54,88,401	71.56	3,54,88,401	-	3,54,88,401	71.56	-	71.56	-	-	-	-	3,49,78,993
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employees Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total:	1,39,007	4,95,81,205	8,920	-	4,95,90,125	100.00	49,590,125	-	49,590,125	100.00	-	100.00	-	-	1,50,000	0.30	4,90,80,717

Shareholding pattern of our Promoter and Promoter Group, as on March 31, 2025, is set forth below.

Sr.	Category & Name of the Shareholders	Entity Type	Nos. Of shareholders	No. of fully paid up equity shares held	No. Of Partly paid-up equity shares held	No. Of shares underlying Depository Receipts	Total nos. shares held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957 (VII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total (A+B+C)								
(I)	(II)		(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	**Indian**																		
(a)	Individuals / Hindu undivided Family		6	9,39,200	-	-	9,39,200	1.89	9,39,200	-	9,39,200	1.89	-	1.89	-	-	-	-	9,39,200
	Vishad Mafatlal As Trustee Of Vishad P Mafatlal Family Trust No. 1	Promoter	1	382,635	-	-	382,635	0.77	382,635	-	382,635	0.77	-	0.77	-	-	-	-	382,635
	Vishad Padmanabh Mafatlal	Promoter	1	5,36,349	-	-	5,36,349	1.08	5,36,349	-	5,36,349	1.08	-	1.08	-	-	-	-	5,36,349
	Padmanabh Arvind Mafatlal (HUF)	Promoter	1	14,550	-	-	14,550	0.03	14,550	-	14,550	0.03	-	0.03	-	-	-	-	14,550
	Vishad P. Mafatlal Pam Huf1 P Mafatlalt	Promoter	1	4,550	-	-	4,550	0.01	4,550	-	4,550	0.01	-	0.01	-	-	-	-	4,550
	Rupal Vishad Mafatlalt	Promoter	1	101	-	-	101	-	101	-	101	-	-	-	-	-	-	-	101
	Chetna Padmanabh Mafatlalt	Promoter	1	1,015	-	-	1,015	-	1,015	-	1,015	-	-	-	-	-	-	-	1,015
(B)	**Central Government/ State Government(S)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr.	Category & Name of the Shareholders	Entity Type	Nos. Of shareholders	No. of fully paid up equity shares held	No. Of Partly paid-up equity shares held	No. Of shares underlying Depository Receipts	Total nos. shares held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957 (VII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total (A+B+C)								
(C)	**Financial Institutions/ Banks**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(D)	**Any Other (Specify)**	-	**4**	**13,162,524**	-	-	**13,162,524**	**26.54**	**13,162,524**	-	**13,162,524**	**26.54**	-	**26.54**	-	-	**150,000.00**	**1.14**	**13,162,524**
	Terebinth Ventures Private Limited (Formerly known as Anshi Ventures Private Limited)	Promoter	1	100	-	-	100	-	100	-	100	-	-	-	-	-	-	-	100
	Pamil Investments Pvt Ltd	Promoter	1	5,000	-	-	5,000	0.01	5,000	-	5,000	0.01	-	0.01	-	-	-	-	5,000
	Mafatlal Impex Private Limited (Mafatlal Exim Pvt Ltd amalgamated with Mafatlal Impex Pvt Ltd)	Promoter	1	13,036,149	-	-	13,036,149	26.29	13,036,149	-	13,036,149	26.29	-	26.29	-	-	150,000.00	1.15	13,036,149
	Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	Promoter	1	121,275	-	-	121,275	0.24	121,275	-	121,275	0.24	-	0.24	-	-	-	-	121,275
Sub-Total (A)(1)			**10**	**1,41,01,724**	-	-	**1,41,01,724**	**28.44**	**1,41,01,724**	-	**1,41,01,724**	**28.44**	-	**28.44**	-	-	**150,000.00**	**1.06**	**1,41,01,724**
(2)	**Foreign**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(A)	Individuals (Non-Resident Individuals/		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr.	Category & Name of the Shareholders	Entity Type	Nos. Of shareholders	No. of fully paid up equity shares held	No. Of Partly paid-up equity shares held	No. Of shares underlying Depository Receipts	Total nos. shares held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957 (VII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total (A+B+C)								
	Foreign Individuals)																		
(B)	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(D)	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(E)	Any Other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter And Promoter Group (A)=(A)(1)+(A)(2)			**10**	**1,41,01,724**	**-**	**-**	**1,41,01,724**	**28.44**	**1,41,01,724**	**-**	**1,41,01,724**	**28.44**	**-**	**28.44**	**-**	**-**	**150,000.00**	**1.06**	**1,41,01,724**

Shareholding pattern of Public shareholders, as on March 31, 2025, is set forth below.

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
(1)	Institutions (Domestic)																				
(a)	Mutual Funds	30	8366797	-	-	8366797	16.87	8366797	-	8366797	16.87	-	16.87	-	-	-	-	8366797	-	-	-
	AXIS MUTUAL FUND TRUSTEE LIMITED	1	848644	-	-	8,48,644	1.71	8,48,644	-	8,48,644	1.71	-	1.71	-	-	-	-	8,48,644	-	-	-
	SBI MUTUAL FUNDS	1	909219	-	-	9,09,219	1.83	9,09,219	-	9,09,219	1.83	-	1.83	-	-	-	-	9,09,219	-	-	-
	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED	1	747023	-	-	7,47,023	1.51	7,47,023	-	7,47,023	1.51	-	1.51	-	-	-	-	7,47,023	-	-	-
	DSP MUTUAL FUNDS	1	760358	-	-	7,60,358	1.53	7,60,358	-	7,60,358	1.53	-	1.53	-	-	-	-	7,60,358	-	-	-
	ICICI PRUDENTIAL MUTUAL FUNDS	1	1537196	-	-	15,37,196	3.10	15,37,196	-	15,37,196	3.10	-	3.10	-	-	-	-	15,37,196	-	-	-
	EDELWEISS MUTUAL FUNDS	1	599915	-	-	5,99,915	1.21	5,99,915	-	5,99,915	1.21	-	1.21	-	-	-	-	5,99,915	-	-	-

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights									Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	27	340206	-	-	340206	0.69	340206	-	340206	0.69	-	0.69	-	-	-	-	340206	-	-	-
(d)	Banks	15	4554	-	-	4554	0.01	4554	-	4554	0.01	-	0.01	-	-	-	-	2,134	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Asset reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	2	2,050	-	-	2,050	-	2,050	-	2,050	-	-	2,050	-	-	-	-	2,050	-	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Any Other (specify)	12	6183021	-	-	6183021	12.47	6183021	-	6183021	12.47	-	12.47	-	-	-	-	6183021	-	-	-
	LIFE INSURANCE CORPORATION OF INDIA	1	4864768	-	-	4864768	9.81	4864768	-	4864768	9.81	-	9.81	-	-	-	-	4864768			

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
	QUALIFIED INSTITUTIONAL BUYERS	12	6183021	-	-	6183021	12.47	6183021	-	6183021	12.47	-	12.47	-	-	-	-	6183021			
Sub-Total (B)(1)		86	14896628	-	-	14896628	30.04	14896628	-	14896628	30.04	-	30.04	-	-	-	-	61,83,021	-	-	-
(2)	Institutions (Foreign)																				
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	169	9964134	-	-	9964134	20.09	9964134	-	9964134	20.09	-	20.09	-	-	-	-	9964134	-	-	-
	GOLDMAN SACHS FUNDS - GOLDMAN SACHS INDIA EQUITY	1	708435	-	-	708435	1.43	708435	-	708435	1.43	-	1.43	-	-	-	-	708435			
	GOVERNMENT PENSION FUND	1	1585219	-	-	1585219	3.20	1585219	-	1585219	3.20	-	3.20	-	-	-	-	1585219			

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights									Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
	GLOBAL																				
(e)	Foreign Portfolio Investors Category II	2	32804	-	-	32804	0.07	32804	-	32804	0.07	-	0.07	-	-	-	-	32804	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)		171	9996938	-	-	9996938	20.16	9996938	-	9996938	20.16	-	20.16	-	-	-	-	9996938	-	-	-
(3)																					
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	1	270	-	-	270	-	270	-	270	0.00	-	0.00	-	-	-	-	270	-	-	-

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
Sub-Total (B)(3)		**1**	**270**	-	-	**270**	-	**270**	-	**270**	-	-	-	-	-	-	-	**270**	-	-	-
(4)	**Non-institutions**																				
(a)	Associate companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	2	50275	-	-	50275	0.10	50275	-	50275	0.10	-	0.10	-	-	-	-	50275	-	-	-
(c)	Key Managerial Personnel	1	13,800	-	-	13,800	0.03	13,800	-	13,800	0.03	-	0.03	-	-	-	-	13,800	-	-	-
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Trusts where	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
	any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'																				
(f)	Investor Education and Protection Fund (IEPF)	1	591643	1,760	-	5,93,403	1.20	5,93,403	-	5,93,403	1.20	-	1.20	-	-	-	-	5,93,403	-	-	-
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	132416	7798782	7,145	-	78,05,927	15.74	78,05,927	-	78,05,927	15.74	-	15.74	-	-	-	-	73,53,934	-	-	-
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	2	606,740	-	-	606,740	1.22	606,740	-	606,740	1.22	-	1.22	-	-	-	-	606,740	-	-	-
	AJAY UPADHYAY	1	500,000	-	-	500,000	1.01	500,000	-	500,000	1.01	-	1.01	-	-	-	-	500,000			

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VI)+(IX) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	(XV)		
	A																				
(i)	Non Resident Indians (NRIs)	3469	473841	-	-	473841	0.96	473841	-	473841	0.96	-	0.96	-	-	-	-	4,72,176	-	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	806	563004	15	-	5,63,019	1.14	5,63,019	-	5,63,019	1.14	-	1.14	-	-	-	-	5,61,254	-	-	-
(m)	Any Other (specify)	2042	487560	-	-	4,87,560	0.98	4,87,560	-	4,87,560	0.98	-	0.98	-	-	-	-	4,35,995	-	-	-
	Clearing Members	6	173	-	-	173	0.00	173	-	173	0.00	-	0.00	-	-	-	-	173			
	HUF	1914	295627	-	-	2,95,627	0.60	2,95,627	-	2,95,627	0.60	-	0.60	-	-	-	-	2,95,627			
	Trusts	122	191760	-	-	1,91,760	0.39	1,91,760	-	1,91,760	0.39	-	0.39	-	-	-	-	1,40,195			
Sub-Total (B)(4)		138739	10585645	8,920	-	1,05,94,565	21.36	1,05,94,565	-	1,05,94,565	21.36	-	21.36	-	-	-	-	1,00,87,577	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)		138997	35479481	8,920	-	3,54,88,401	71.56	3,54,88,401	-	3,54,88,401	71.56	-	71.56	-	-	-	-	3,49,78,993	-	-	-

Shareholding pattern of non-Promoter non-public Shareholders, as on March 31, 2025, is set forth below.

Sr.	Category & Name of the Shareholders	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (III+IV+V)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VI+X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)				(IX)	(X)	(XI)		(XII)		(XIII)			
(1)	Custodian/DR Holder - Name of DR Holders(If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non- Promoter Non- Public Shareholding (C)= (C)(1)+(C)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Total (A+B+C2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A+B+C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the Bid, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and Bidders are assumed to have apprised themselves of the same from our Company or the Book Running Lead Manager. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Eligible QIBs that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLM and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Eligible QIBs on whether such Eligible QIB was eligible to acquire the Equity Shares. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 224 and 232, respectively.*

Our Company, the Book Running Lead Manager and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document have not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules other applicable provisions of the Companies Act, 2013, our Company, being a listed company in India, may issue Equity Shares to Eligible QIBs, provided that certain conditions are met by our Company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must, *inter-alia*, specify that: (a) the allotment of Equity Shares is proposed to be made pursuant to the QIP; and (b) the Relevant Date;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of Issue, the contribution made by the Promoters or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the Issue or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to seek approval of our Shareholders for the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Placement Document. For details, see "***Capital Structure***" on page 81;

- invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., the Preliminary Placement Document) and an Application Form, serially numbered and addressed specifically to the

Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;

- our Company shall have completed allotments with respect to any earlier offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer made, except as permitted under the Companies Act, 2013. However, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed under the Companies Act, 2013;

- our Promoters and Directors are not fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended;

- our Promoters or Directors are not declared as Wilful Defaulter;

- our Promoters or Directors are not declared as Fraudulent Borrower;

- in accordance with the SEBI ICDR Regulations, the Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., the Preliminary Placement Document and the Application Form), our Company must prepare and record a list of Eligible QIBs to whom the Issue will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe; and

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

At least 10% of the Equity Shares issued to Eligible QIBs was made available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remained unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "relevant date" referred to above means the date of the meeting in which the Board of Directors or the fund raising committee decides to open the Issue and "stock exchange" means any of the recognised stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the resolution of our Board dated June 29, 2024, and resolution of our Shareholders dated August 1, 2024, our Company has offered a discount of ₹ 118.28 (equivalent to 2.46 % of the Floor Price) on the Floor Price.

The Equity Shares will be Allotted within 365 days from the date of the shareholders' resolution approving the Issue, being August 1, 2024 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders, failing which our Company shall refund the Bid Amount in accordance with the applicable laws. For details of refund of Bid Amount, see "**– *Pricing and Allocation – Designated Date and Allotment of Equity Shares***" on page 219.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document that contains all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under the PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document or this Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the

website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of Allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 250 crore; and
- five, where the issue size is greater than ₹ 250 crore.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***— Bid Process — Application Form***" on page 215.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

Our Company has filed a draft of the Preliminary Placement Document with each of the Stock Exchanges and received the in-principle approvals of the Stock Exchanges on July 7, 2025 and July 7, 2025 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchanges, to be issued pursuant to this Issue. Our Company has filed a copy of this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them, respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsels and advisors as to investment in and related matters concerning the Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 224 and 232, respectively.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Issue Opening Date, our Company and the Book Running Lead Manager had circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form has been specifically addressed to each such Eligible QIBs. In terms of Section 42(3) of the Companies Act, 2013, our Company has complete records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom serially numbered copies of the Preliminary Placement Document, this Placement Document and the Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with the RoC within the stipulated time period as required under the Companies Act and the PAS Rules. The list of Eligible QIBs to whom the Preliminary Placement Document and the Application Form has been delivered have been determined by our Company in consultation with the BRLM, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person

other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs were required to submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter, and/or any other documents mentioned in the Application Form, during the Issue Period to the Book Running Lead Manager.

4. Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

5. Bidders were required to indicate the following in the Application Form:

   - it has agreed to certain other representation as set forth in the Application Form and the Preliminary Placement Document;
   - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;
   - number of Equity Shares Bid for;
   - price at which they were agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
   - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognised Indian stock exchange in compliance with Regulation S under the Securities Act;
   - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited, pursuant to the Issue;
   - Equity Shares held by the Bidder in our Company prior to the Issue; and
   - a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made, and it has agreed to certain other representations set forth in "***Representations by Investors***" on page 4, "***Transfer Restrictions***" on page 232 and in the Application Form; and
   - Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form.

6. Eligible QIBs were required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Accounts opened in the name of "Navin Fluorine International Limited – QIP Escrow Account – 2025", with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares was required to be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment was made in the Issue by the Bidders in cash. The Bid Amount payable on Equity Shares to be held by joint holders was required to be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and

trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowered or withdrew their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***-Refunds***" on page 219.

7. Once a duly completed Application Form was submitted by a Bidder, whether signed or not, and the Bid Amount was transferred to the Escrow Account, such Application Form constituted an irrevocable offer and the Bid could not have been withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision in the Issue Price before the Issue Closing Date, an additional amount was required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs were deemed to have been given notice of such date after receipt of the Application Form.

8. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company is required to disclosed the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and any other regulatory filing and consents to such disclosure, if any Equity Shares were allocated to it.

9. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

10. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, on or after the Issue Closing Date, our Company, in consultation with Book Running Lead Manager, determined the final terms, including the Issue Price and number of the Equity Shares to be issued pursuant to the Issue and Allocation to the Successful Bidders. Upon such determination, the Book Running Lead Manager, on behalf of our Company, have sent the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and this Placement Document to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Accounts, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of this Placement Document and Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the Book Running Lead Manager.**

11. The Bidder acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company is required to disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it.

12. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Manager, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

13. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

14. After passing the resolution for Allotment and prior to crediting the Equity Shares, allotted pursuant to this Issue, into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

15. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

16. Our Company will then apply for the final trading approvals from the Stock Exchanges.

17. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

18. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to the Successful Bidders. Our Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules have been considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs who can participate in the Issue, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- Alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹25 crore registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹25 crore;
- public financial institutions as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- systemically important non-banking financial companies;

- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and

- venture capital fund registered with SEBI.

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue.

Eligible FPIs were permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules in this Issue. Eligible FPIs were permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations and the FEMA Rules, the issue of Equity Shares to a single FPI including its investor group (which means the multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control, shall be treated as part of the same investor group) must be below 10% of our post-Issue Equity Share capital. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that: (i) the individual investment of the FPI (including its investor group) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the Eligible FPI Limit.

Further, with effect from April 1, 2020, the limit of total holdings of all Eligible FPIs put together shall be the sectoral cap applicable to our Company, currently being 100.00% under the automatic route. As of March 31, 2025, the aggregate FPI shareholding in our Company is 20.16% of our Company's paid-up Equity Share capital on a fully diluted basis. For further details, see "***Shareholding Pattern of our Company***" on page 195.

In case the holding of an FPI including its investor group increases to 10.00 % or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. Other than those Eligible FPIs, as prescribed in Regulation 22(4) of the SEBI FPI Regulations, in the event that such divestment of excess holding is not undertaken within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI and receipt of necessary regulatory approvals as required and in accordance with applicable laws, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations and FEMA Rules.

As per the FPI Operational Guidelines, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed National Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3.00% below the overall limit a red flag shall be activated. The designated depository is then required to inform the Stock Exchanges about the activation of the red flag. The stock exchanges are then required to issue the necessary circulars / public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Our Company shall, in consultation with the BRLM, determine Allocation to the Eligible FPIs and such Bids which are above the Eligible FPI Limit, shall be liable to be rejected, in the sole discretion of our Company. Please note that this is subject to the extent of Foreign Portfolio Investment in our Company on the date of Allocation of Equity Shares.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a Promoter, or any person related to, the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company and the Book Running Lead Manager and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document and this Placement Document. A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

Note: *Affiliates or associates of the Book Running Lead Manager who are Eligible QIBs, may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and the Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, a Bidder was deemed to have made the representations, warranties, acknowledgements and undertakings given or made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 4, 224 and 232, respectively, including as follows:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or members of the Promoter Group or persons related to the Promoters;

3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoters;

4. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI having a valid and existing registration with SEBI under the applicable laws in India, and is eligible to invest in India under applicable law,

including the FEMA Rules and the restrictions stated under this section and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

6. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

7. The Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB or as specified in this Placement Document;

8. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

9. The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis, in consultation with the Book Running Lead Manager. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

10. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company is required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM.

11. The Bidder agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. Each Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

12. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Eligible QIB confirms that:

    a. It is outside the United States it is subscribing to the Equity Shares in an "offshore transaction" as defined in, and in reliance on Regulation S and is not our affiliate or a person acting on behalf of such an affiliate, and

    b. It has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Placement Document, will be deemed to have made the representations, warranties and agreements made under the sections titled "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" beginning on pages 1, 4, 224 and 232, respectively.

14. The Eligible QIBs acknowledge that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

15. The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

16. Each Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations read with the FEMA Rules, along with the restrictions specified above in this section.

ELIGIBLE QIBS WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER (AS THE CASE MAYBE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS WERE REQUIRED TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGER TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY OR STOCK EXCHANGES IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS WHO SUBMITTED A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall was deemed to be valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as the case maybe). The Bid Amount was required to be deposited in the Escrow Account as is specified in the Application Form and the Application Form was required to be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at either of the following addresses:

Name of Book Running Lead Manager	Address	Contact Person	Email	Contact number
JM Financial Limited	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India	Prachee Dhuri	nfil.qip@jmfl.com	+91 22 6630 3030

The Book Running Lead Manager were not required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue were required to pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "Navin Fluorine International Limited – QIP Escrow Account – 2025", with the Escrow Agent, in terms of the Escrow Agreement. Each Bidder was required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments were required to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in "Navin Fluorine International Limited – QIP Escrow Account – 2025 " only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, the excess Bid Amount will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in *"-**Refunds***" on page 219.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price is not less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchange(s) during the two weeks preceding the Relevant Date. However, a discount of ₹ 118.28 (equivalent to 2.46% of the Floor Price) on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our Shareholders pursuant to resolution dated August 1, 2024, was offered by our Company in accordance with the provisions of the SEBI ICDR Regulations.

The "Relevant Date" referred to above, for Allotment, will be the date of the meeting in which the Board of Directors or the fund raising committee decides to open the Issue.

Build-up of the book

The Eligible QIBs were required to submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Manager. Such Bids could not be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price are to be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Manager has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGER ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially

numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document, to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, the Board of Directors or the fund raising committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLM.

Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "***Representations by Investors***" on page 4 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued, and the Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the successful Bidders' beneficiary demat accounts with the Depository Participants, our Company will apply for the final trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act.

7. After finalization of the Issue Price, our Company updated the Preliminary Placement Document with the Issue details and has filed it with the Stock Exchanges as this Placement Document, which includes names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees, belonging in the same group or under common control in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited

the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see " - ***Bid Process***" and "- ***Refunds***" on pages 215 and 219 respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the BRLM shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement Agreement

The Book Running Lead Manager has entered into the Placement Agreement dated July 7, 2025 with our Company, pursuant to which the Book Running Lead Manager has agreed, subject to certain conditions, to manage the Issue and to act as placement agent in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis with Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, as amended, and other applicable provisions of the Companies Act.

The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "*offshore transactions*" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively.

Affiliates of the Book Running Lead Manager which are Eligible FPIs may purchase, to the extent permissible under applicable law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. See "*Representations by Investors*" and "***Offshore Derivative Instruments***" on pages 4 and 10, respectively.

The Preliminary Placement Documents and this Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of Bidders, other than Eligible QIBs.

Relationship with the Book Running Lead Manager

In connection with the Issue, the BRLM (or its affiliates) may, for their own accounts, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM (or its affiliates) may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue, and no specific disclosure will be made of such positions. Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under applicable law, the Equity Shares in the Issue and be Allotted Equity Shares, for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "***Offshore Derivative Instruments***" on page 10. The BRLM and its affiliates may engage in transactions with and perform services for our Company and our Subsidiaries or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our Subsidiaries or affiliates, for which they would have received compensation and may in the future receive compensation.

Lock-in

Company Lock-up

Our Company undertakes that, subject to the exceptions set out below, it shall not: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares;

or (c) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 45 days after the Closing Date without the prior written consent of the BRLM, which consent shall not be unreasonably withheld, however, the foregoing restriction shall not be applicable to the (i) the issuance of the Issue Shares pursuant to the Issue; (ii) issuance of Equity Shares pursuant to conversion of ESOPs; and (iii) any transaction required by law or an order of a court of law or a statutory authority.

Promoters Lock-up

Subject to the exceptions set out below, our Promoters have undertaken that they will not for a period of 45 days from the date of Allotment under the Issue, without the prior written consent of the BRLM, which consent shall not be unreasonably withheld, directly or indirectly: (a) issue, offer, sell, lend, pledge, contract to sell or issue, purchase or sell any option or contract to purchase, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (c) publicly announce any intention to enter into any transaction whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (b) above. Further, preferential issuance of Equity Shares or any other securities to the Promoters or Promoter Group of the Company shall be subject to lock-up requirements under the Applicable Law. However, the foregoing restrictions shall not apply in case of inter-se transactions amongst Promoters of the Company.

SELLING RESTRICTIONS

The distribution of this Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

*This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "**Notice to Investors**", "**Representations by Investors**" and "**Transfer Restrictions**" on pages 1, 4 and 232, respectively.*

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Preliminary Placement Document and this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013. Each purchaser of the Equity Shares in the Issue will be deemed to have made representations, warranties, acknowledgments and agreements as described under "***Transfer Restrictions***" on page 232.

Republic of India

The Preliminary Placement Document and this Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. The Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("Australian Corporations Act") and does not purport to include the information required of a prospectus or disclosure document under the Australian Corporations Act. This Placement Document has not been lodged with the Australian Securities and Investments Commission ("ASIC") and no steps have been taken to lodge it with ASIC. No offer will be made under this Placement Document to any person to whom disclosure is required to be made under Chapter 6D of the Australian Corporations Act. Any offer in Australia of the Equity Shares under this Placement Document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act which permit the offer of the Equity Shares without disclosure under Part 6D.2 of the Australian Corporations Act.

As any offer of Equity Shares under this Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to the Company that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to any person in Australia except in circumstances where disclosure to such person is not required under Chapter 6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares that shall be offered pursuant to this Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

People's Republic of China

This Placement Document does not constitute a public offer of the Equity Shares, whether by way of sale or subscription, in the People's Republic of China (the "PRC"). The Equity Shares are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to the legal and regulatory requirements of the PRC, the Equity Shares may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

Dubai International Financial Centre

This Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Placement Document. The securities to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Member State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Manager for any such offer; or

- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Book Running Lead Manager of such fact in writing and has received the consent of the Book Running Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Manager has been obtained to each such proposed offer or resale.

Our Company, the Book Running Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be

offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This document and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

Mauritius

The public of the republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. the interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. no regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius financial services commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

Qatar (excluding the Qatar Financial Centre)

This Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Book Running Lead Manager are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the

Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Book Running Lead Manager are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar and Qatar Financial Centre

Nothing in this Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Placement Document is strictly private and confidential. This Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("**CMA**"). The CMA does not make any representation as to the accuracy or completeness of this Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

Singapore

This Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(b) where no consideration is or will be given for the transfer;
(c) where the transfer is by operation of law;
(d) as specified in Section 276(7) of the SFA; or
(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Sultanate of Oman

The information contained in this Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "Promotion") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

United Kingdom

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or
(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). The Placement Document is directed only at relevant persons. Other persons should not act on the Placement Document or any of its contents. The Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States of America

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 224 and 232, respectively.

Other Jurisdictions

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain

jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares Allotted in the Issue is not permitted for a period of one year from the date of Allotment, except on the Stock Exchanges. Investors are advised to consult their legal counsel prior to making any resale, pledge, or transfer of our Equity Shares. In addition to the above, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "***Selling Restrictions***" on page 224.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

By accepting delivery of this Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, each investor will be deemed to have represented, agreed and acknowledged as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any"*directed selling efforts*"as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any"*directed selling efforts*"as defined in Regulation S.

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable state securities laws.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Book Running Lead Manager for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares and (v) have no need for liquidity with respect to the investment in the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to the Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the Book Running Lead Manager liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

It acknowledges that the Company and the BRLMs and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLMs. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Manager or any of its respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the Securities Contract (Regulations) Rules, 1957 (the "**SCRR**"). On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent, unfair trade practices and insider trading and to regulate substantial acquisition of shares and takeovers of companies. SEBI has also issued regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buybacks of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

The BSE Limited ("**BSE**") was established in 1875 and it is the oldest stock exchange in India. In 1957, it became the first stock exchange in India to obtain permanent recognition from the Government of India under the SCRA.

With effect from December 31, 2001, trading in all securities listed in the equity segment of the BSE takes place in one market segment, known as the Compulsory Rolling Settlement Segment.

NSE

The National Stock Exchange of India Limited ("**NSE**") provides nationwide on-line satellite-linked, screen-based trading facilities to market makers, to provide electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. After recognition as a stock exchange under the SCRA in April 1993, the NSE commenced operations in the wholesale debt market segment in June 1994 and operations in the derivatives segment in June 2000. NSE operates on a fully automated screen based trading system called National Exchange for Automated Trading ("**NEAT**"), which adopts the principle of an order driven market.

Listing

The listing of securities on recognised stock exchanges in India is regulated by applicable Indian laws including the Companies Act, 2013, PAS Rules, SCRA, SCRR, the SEBI Act, the various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations and the listing agreements executed between listed companies and stock exchanges. A listed entity or any other person who contravenes the SEBI Listing Regulations shall, in addition to liability in terms of securities laws, and being subjected to possible adverse action by SEBI in relation thereto, such listed entity shall also be liable for action by the stock exchanges, including imposition of fines, suspension of trading, etc. The SCRR empowers the governing body of each recognised stock exchange to suspend or withdraw admission to dealings in the listed securities of our Company either for a breach of or non-compliance with, any of the conditions of admission to dealings or for any other reason, to be recorded in writing, which in the opinion of the stock

exchange justifies such action, subject to the stock exchange affording our Company a reasonable opportunity by a notice in writing, stating the reasons, to show cause against the proposed action. The Securities Appellate Tribunal, after giving the stock exchange an opportunity to be heard, has the power to vary or set aside the decision of the stock exchange in this regard. SEBI also has the power to amend such regulations and by-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

Delisting

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "**Delisting Regulations**") in relation to the voluntary and compulsory delisting of equity shares from the trading platform of a recognised stock exchange. Following a compulsory delisting, a company, its whole time directors, its promoter, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold. However, every public sector listed company whose public shareholding falls below 25 % at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI.. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with the minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement either way, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the BSE SENSEX of the BSE or the NIFTY 50 of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movement either up or down. However, no price bands are applicable on scrips on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges in accordance with SEBI guidelines and circulars, that are required to be paid by the stockbrokers.

Derivatives

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of the existing stock exchange. The derivative exchange or derivative segment of a stock exchange functions as a self-regulatory organization under the supervision of the SEBI. Derivatives products have been introduced in a phased manner in India.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading systems. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the BSE and the NSE occurs from Monday through Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.).. The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to certain conditions that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform ("**BOLT+**") through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Disclosures under the SEBI Listing Regulations

Public listed companies are required to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoter, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid/open offer obligations for listed Indian companies under Indian law are governed by the provisions of the SEBI Takeover Regulations, which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company.

The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

The SEBI Takeover Regulations were further amended on June 22, 2020, to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the system driven disclosures.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations, *inter alia*, prohibit and penalize insider trading in India and prohibit dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**"). The SEBI Insider Trading Regulations *inter alia* impose certain restrictions on the communication of UPSI relating to a company or securities

listed or proposed to be listed. In terms of the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, in each case except in furtherance of "legitimate purposes", as determined by a policy formulated by the board of directors of such a company, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations. The definition of "insider" includes any person who is in possession or has access to unpublished price sensitive information in relation to a company or securities of a company or who is a 'connected person' within the meaning of SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations define the term "unpublished price sensitive information" to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but is not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, "generally available information" is defined as information that is accessible to the public on a non-discriminatory basis.

The Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of conduct, practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by insiders, designated persons and immediate relatives of designated persons and (iii) a policy for procedures to be adopted by a company in case of leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations. On July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of UPSI, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, inter alia, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

Buy-back Regulations

A company may buy-back its own shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, a company may buy-back its own shares or other specified securities out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities. If such buy-back constitutes more than 10% of the total paid-up equity capital and free reserves of the company, it shall require the approval of shareholders of the company by way of a special resolution. A company buying back its securities is required to extinguish and physically destroy the securities that are bought back within seven days of the last date of completion of the buy-back. The company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of shares or specified securities (including in a rights issue) for six months from the buy-back except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option

schemes, sweat equity or conversion of preference shares or debentures into equity shares.

The above information is given for the benefit of investors in the Issue. Our Company, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Placement Document. Investors are advised to make their independent investigations and ensure that they are eligible to subscribe to, purchase or otherwise acquire the Equity Shares they Bid for under Indian laws or regulations.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of our Company is ₹ 35,00,00,000 comprising of 17,50,00,000 Equity Shares. As on the date of this Placement Document, the issued and subscribed share capital of our Company is ₹ 9,91,80,510 comprising of 4,95,90,255 Equity Shares, while the paid up share capital of our Company comprises (i) fully paid-up share capital of ₹ 9,91,64,390 comprising of 4,95,82,195 Equity Shares; and (ii) partly paid up share capital of 8,060 comprising of 8,060 Equity Shares. The Equity Shares are listed on BSE and NSE. Our Company is authorised to issue (a) Equity Shares with voting rights; (b) Equity Shares with differential rights as to dividend, voting or otherwise, in accordance with applicable laws; and (c) preference shares.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the AGM of shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par value (on per share basis) and distributed and paid to shareholders. The Companies Act provides that shares of the same class of a company must receive equal dividend treatment. Further, payment of dividend on the Equity Shares shall also be governed by the CIC Master Direction, circulars issued by the RBI and Dividend Distribution Policy of our Company.

These distributions and payments are required to be paid to or claimed by shareholders within 30 days of the date of declaration of dividend. The Companies Act states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account within seven days from the date of expiry of the period of 30 days. Any dividend amount that remains unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India.

The Articles authorize the Board to pay to the members such interim dividends as in their judgement the position of our Company justifies. Under the Companies Act dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

No dividend shall be payable except out of the profits of the year, or otherwise than in accordance with the provisions of the Act and circulars issued by RBI and no dividend shall carry interest as against our Company.

Capitalisation of Reserves and Issue of Bonus Shares

In addition to permitting dividends to be paid as described above, the Companies Act permits the Board, subject to the approval of the Shareholders of our Company, to distribute to the Shareholders, in the form of fully paid-up bonus shares, an amount transferred from our Company's free reserves, securities premium account or the capital redemption reserve account. These bonus equity shares must be distributed to the Shareholders in proportion to the number of equity shares owned by them.

Bonus shares can only be issued if our Company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/interest payments on fixed deposits or debt securities issued by it. Bonus shares shall not be issued in lieu of dividend.

Alteration of Share Capital

The company may, from time to time, by passing the requisite resolution increase or otherwise alter the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. Subject to the provisions of section 61, the company may, by passing the requisite resolution, (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (c) sub-divide its existing shares or any of them into

shares of smaller amount than is fixed by the memorandum; (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Issuance of Preference Shares

Subject to Section 55 of the Companies Act, any new shares may be issued as preference shares or one or more classes of preference shares, including redeemable preference shares which are liable to be redeemed in any manner permissible under the Companies Act.

General meetings of shareholders

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of Shareholders in accordance with the Companies Act. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 clear days prior to the date set for the general meeting to the Shareholders. Shorter notice is permitted if consent is received from the Shareholders representing 95% of the paid-up capital as entitled to vote at such meeting. Five Shareholders present in person; if the number of shareholders as on the date of the meeting is not more than 1,000 or such other number of Shareholders as required under the Companies Act or applicable law personally present shall constitute quorum for a general meeting.

Voting rights

A shareholder has one vote for each equity share on a show of hands and while voting is conducted on a poll, the voting rights of the shareholders shall be in proportion to his share in the paid-up share capital of the company. A member can exercise his vote at a meeting by electronic means in accordance with the Act and vote only once.

Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting.

Transfer and transmission of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay.

The Equity Shares shall be freely transferable, subject to applicable laws.

Any person becoming entitled to Equity Shares in consequence of the death or bankruptcy/insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title, as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a holder in respect of such shares, or to make such transfer of the share as the deceased or insolvent member could have made.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company, whether they shall consist of property of the same kind or not and vest the whole or any part of the assets of our Company in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

TAXATION

July 7, 2025

To,

The Board of Directors
Navin Fluorine International Limited
Office No. 602, Natraj by Rustomjee
Near Western Express Highway
Sir Mathuradas Vasanji Road, Andheri (East)
Mumbai 400069, Maharashtra

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
("**JM Financial**")

*(JM Financial, and any other book running lead managers appointed by the Company (as defined hereinbelow), are collectively referred to as the "**BRLM(s)**" or "**Book Running Lead Manager(s)**")*

Sub: Qualified institutions placement of equity shares of face value ₹ 2 each ("Equity Shares") by Navin Fluorine International Limited (the "Company", and such placement, the "Issue") under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") and sections 42 and 62 of the Companies Act, 2013, and the rules framed thereunder, as amended

Sub: **Statement of possible tax benefits available to the Company, its Shareholders and Material Subsidiary**

We, N. A. Shah Associates LLP, Chartered Accountants, are the independent chartered accountants with respect to the Company pursuant to the rules promulgated in Clause 4 of Part I of the Second Schedule of the Code of Conduct of the Institute of Chartered Accountants of India ("**ICAI**") and have been appointed by the Company in relation to the Issue vide engagement letter dated June 3, 2025 ("**Engagement Letter**") and this certificate is issued in accordance with the terms of the Engagement Letter.

We hereby confirm the '**Statement of Possible Tax Benefits'**, enclosed herewith as **Annexure A**, prepared and issued by the Company (the "**Statement**"), which provides the current possible special tax benefits available to the Company, its Shareholders and its Material Subsidiary, namely Navin Fluorine Advanced Sciences Limited, as per the provisions of the Indian direct i.e. Income-tax Act, 1961 (read with the Income-tax rules, circulars, notifications), as amended by the Finance Act, 2025, i.e. applicable for the Financial Year 2025-26 relevant to the Assessment Year 2026-27 presently in force in India and indirect tax i.e. GST.

Several of these benefits are dependent on the Company and/or its Shareholders and/or its Material Subsidiary fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company and/or its Shareholders and/or its Material Subsidiary to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The taxation aspects included in the enclosed Annexure are not exhaustive and it covers only taxation aspects relevant to the eligible securities applicable to the Company, its Material Subsidiary and its Shareholders. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits which an investor can avail, and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of the Annexure. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Annexure, have not been examined and covered by the Annexure.
We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes

(Revised 2016) (the "**Guidance Note**") in accordance with the generally accepted auditing standards in India and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements

We do not express any opinion or provide any assurance whether:

- The Company, its Shareholders and its Material Subsidiary will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met; and
- The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our views are based on the existing tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Restrictions on use

Our certificate Should not be used for any other purpose or by any person other than the addressees of this certificate. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save and except where we have expressly given our consent in this certificate and as may be agreed by our prior consent in writing.

Yours sincerely,

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

Dhaval B. Selwadia
Partner
Membership Number: 100023
Place: Mumbai
UDIN: 25100023BMIDMF3634
Date: July 7, 2025

CC:

Khaitan & Co
7th & 8th Floor, Max Towers
Sector 16B, Noida
Gautam Buddh Nagar – 201 301
Uttar Pradesh, India

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
G.K. Marg, Lower Parel
Mumbai - 400 013
Maharashtra, India

ANNEXURE A

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY, MATERIAL SUBSIDIARY AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Direct Tax Laws:

I. Possible tax benefits available to the Company and its Material Subsidiary

Corporate rate of tax

The tax rate structure has been divided into 3 regimes for corporate taxpayers – while the old regime remains as it is, wherein corporate income is taxed at 25 or 30 %, as applicable; the new regime provides for a lower tax rate of 22% other than for a new manufacturing company for which the tax rate provided is 15%.

The surcharge on income tax is 7%, if the total income exceeds Rs.1 crore and, 12% if the total income exceeds Rs. 10 crores under the old tax regime. The said surcharge is levied at 10% if the Company has opted for either of the new tax regime. Health & Education Cess (H&EC) is 4% on tax and surcharge, both under the old and new tax regime.

Minimum Alternate Tax ('**MAT**') is imposed at 15% (plus the surcharge and H&EC) on the adjusted book profits of Companies whose tax liability is less than 15% of their book profits. Corporate taxpayers who have opted for either of the new tax regime with reduced tax rate have been exempted from the provisions of MAT.

Under the new tax regime other than for a new manufacturing company, the Company will not be allowed to claim any of the following deductions/exemptions:

(a) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
(b) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
(c) Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
(d) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
(e) Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
(f) Deduction under section 35CCD (Expenditure on skill development)
(g) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above.
(h) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred to clause (i) to (vii) above.
(i) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M.

The Company has opted for the new tax regime and hence, the tax rate of 22% is applicable. Navin Fluorine Advanced Sciences Limited (Material Subsidiary) is a new manufacturing company and hence, the tax rate of 15% is applicable. On these rates applicable surcharge and H&EC shall be applicable.

Deduction in respect of employment of new employees:

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

Deduction in respect of inter-corporate dividends

This section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall be allowed deduction of an amount which will be lower of the following:

- Dividends received from such other domestic company or foreign company or business trust; or
- Amount of dividend distributed by it on or before the due date.

The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

Accordingly, the dividend income of the Company shall be entitled for deduction under section 80M of the Income Tax Act, 1961 subject to compliance of provisions of the said section.

Deduction in respect of capital expenditure on in-house research & development facilities

The Company and its Material Subsidiary may be eligible to claim 100% deduction of the R&D capital expenditure incurred for scientific research related to the business of the Company and / or Material Subsidiary. Proper documentation and clear linkage of the capital expenditure to eligible R&D activities are essential to substantiate the claim.

II. Possible tax benefits available to the Shareholders

Dividend income in the hands of shareholders

Dividends received by the shareholders on or after 1st April 2020 are liable to be taxed in their respective hands. The Company is required to deduct Tax at Source ("**TDS**") at the applicable rate specified under the Act for both resident and non-resident shareholders. For non-resident shareholders, the rate specified under the Act would be subject to benefit available under the applicable Double Taxation Avoidance Agreement (if any) and multi-lateral instruments.

With respect to resident corporate shareholders, the shareholder shall be entitled for deduction under section 80M of the Income Tax Act, 1961 subject to compliance of provisions of the said section.

Interest expenses are allowed as a deduction restricted to 20% of the dividend income.

Capital gains

- As per Section 112A of the Act, long-term capital gains arising from transfer of a listed equity share shall be taxed at twelve and half percent (without indexation), subject to fulfilment of prescribed conditions under the Act. It is pertinent to note here that no tax shall be levied where such capital gains are upto Rs. 1,25,000/-

- As per Section 111A of the Act, short-term capital gains arising from transfer of a listed equity share shall be taxed at 20%, subject to fulfilment of prescribed conditions under the Act.

Indirect Tax Laws:

I. Special Indirect tax benefits available to the Company:

Benefits under the Customs Act, 1962 and Foreign Trade Policy, 2023 (and earlier policies) under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992

a. The Company is presently availing the following duty drawback benefits on the duties paid on inputs used in the manufacture of export goods:

All Industry Rate ("**AIR"**) of duty drawback – The Company is availing drawback at AIR of 1.00%-1.60% on the FOB value of exports where the rate or amount of drawback has not been specifically determined for the goods exported.

b. Benefits under the Remission of Duties and Taxes on Exported Products ("RoDTEP") Scheme:

The Company is availing RoDTEP benefits at the notified rate of 0.70% of the FOB value of goods exported through the Domestic Tariff Area ("**DTA**"), in accordance with the applicable guidelines and procedures prescribed under the scheme.

c. Benefits under the Export Promotion Capital Goods ("EPCG") Scheme notified under Chapter 5 of the Foreign Trade Policy:

The Company is availing benefit of duty-free import of eligible capital goods required for export-oriented production without payment of import duties and taxes. The said benefit is subject to an export obligation equal to six times of duty saved, to be fulfilled within 6 years from the date of issue of EPCG authorization.

d. Benefit under advance authorisation under chapter IV:

The Company procure certain raw material under duty free scheme in advance licence. The said benefit is subject to fulfilment of export obligation within prescribed timeline.

Benefits under the Central Goods and Services Tax Act, 2017 ("CGST Act"), respective State Goods and Services Tax Acts, 2017 ("SGST Act"), and the Integrated Goods and Services Tax Act, 2017 ("IGST Act"):

The Company is availing the following benefits in respect of export of goods and services in terms of Section 16 of IGST Act, 2017 and Section 54 of the CGST Act, 2017 read with relevant rules made thereunder subject to the fulfillment of the conditions prescribed under the relevant legislations:

a. Rule 89 – Refund of Unutilized Input Tax Credit ("ITC") on Exports of goods or services were exported without payment of tax under a valid Letter of Undertaking ("LUT").

b. Rule 96 – Refund of Integrated Tax Paid on Exports of goods or services exported out of India, where such exports were made with payment of tax.

Benefits for the unit registered as the Export Oriented Unit ("EOU") Scheme under Chapter 6 of the Foreign Trade Policy, 2023:

The Company is availing the benefit of exemption from payment of customs duty on the import of goods required for the manufacture of export products or for rendering of export-related services, as provided under Notification No. 52/2003-Customs.

II. Possible Special tax benefits available to Shareholders

There are no special indirect tax benefits available to the shareholders of the Company under Indirect tax regulations.

III. Possible Special tax benefits available to Material Subsidiary - NFASL

Benefits under the Customs Act, 1962 and Foreign Trade Policy, 2023 (and earlier policies) under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992

a. The Company is presently availing the following duty drawback benefits on the duties paid on inputs used in the manufacture of export goods:

AIR of duty drawback – The Company is availing drawback at the All-Industry Rate (AIR) of 1.00-1.60% on the FOB value of exports where the rate or amount of drawback has not been specifically determined for the goods exported.

b. Benefits under the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme:

The Company is availing RoDTEP benefits at the notified rate of 0.70% of the FOB value of goods exported through the DTA, in accordance with the applicable guidelines and procedures prescribed under the scheme.

c. Benefits under EPCG Scheme notified under Chapter 5 of the Foreign Trade Policy:

The Company is availing benefit of duty-free import of eligible capital goods required for export-oriented production without payment of import duties and taxes. The said benefit is subject to an export obligation equal to six times of duty saved, to be fulfilled within 6 years from the date of issue of EPCG authorization.

d. Benefit under advance authorisation under chapter IV:

The Company procure certain raw material under duty free scheme in advance licence. The said benefit is subject to fulfilment of export obligation within prescribed timeline.

Benefits under CGST Act, respective SGST Act , and IGST Act:

The Company is availing the following benefits in respect of export of goods and services in terms of Section 16 of IGST Act, 2017 and Section 54 of the CGST Act, 2017 read with relevant rules made thereunder subject to the fulfillment of the conditions prescribed under the relevant legislations:

a. Rule 89 – Refund of Unutilized ITC in the following cases:

- In cases where goods or services were exported without payment of tax under a valid LUT
- Deemed export refund of GST paid on goods supplied from DTA to units having EPCG authorization

b. Rule 96 – Refund of Integrated Tax Paid on Exports of goods or services exported out of India, where such exports were made with payment of tax.

Benefits under the scheme of capital subsidy to large industries and thrust sector in Gujarat State Industrial Policy, 2020:

The company received capital subsidy under the scheme of capital subsidy to large industries and thrust sector in Gujarat State Industrial Policy, 2020 for the investment done in Dahej Unit. This subsidy is available for 10 years. The Company received Rs. 2.50 crore in FY 23-24 and Rs. 0.83 Crore in FY 24-25.

Notes:

1. Certain tax benefits outlined in this statement are available to the Company and its Material Subsidiary, subject to their respective eligibility and compliance with the conditions prescribed under applicable tax laws. The actual availability of these benefits depends on the specific facts, operations, registrations, and compliance status of each entity under relevant provisions of the Income-tax Act, GST laws, Customs laws, Foreign Trade Policy, and other applicable regulations.

2. We have not considered general tax benefits available to the Company or its shareholders. The above Statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in a country outside India, of an investment in the shares of an Indian company.

General

We confirm that the information in this certificate is true and correct and there is no misleading statement or omissions which would render its contents misleading in form or context. We will inform you of any changes to the aforementioned information until the Equity Shares issued by the Company pursuant to the Issue commence trading on BSE Limited and National Stock Exchange of India Limited (the "**Stock Exchanges**"). If we do not communicate any changes, you may assume that the above information remains accurate until trading begins on the Stock Exchanges.

This certificate may be relied upon by the addressees to this certificate and the legal advisors appointed for the purpose of the Issue, and may be submitted to the Stock Exchanges, the Securities and Exchange Board of India and any other regulatory or statutory authority in respect of the Issue. We hereby consent to extracts of, or reference to, this certificate being used in the preliminary placement document, this placement document and any other document to be issued or filed in relation to the Issue. We also consent to the submission of this certificate as may be necessary (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, and / or (ii) before a statutory, legal and judicial authority in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation and / or (iii) for the records to be maintained by the Book Running Lead Managers in connection with the Issue.

LEGAL PROCEEDINGS

Our Company is involved in various legal proceedings from time to time, including those which arise in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, tax disputes, regulatory actions and civil proceedings, which are pending before various adjudicating forums.

As on the date of this Placement Document, except as disclosed in this section, there are no outstanding legal proceedings which have been considered material and disclosed to the Stock Exchanges in accordance with our Company's 'Policy for Determination of Materiality of Events or Information' framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated October 27, 2015 and last amended pursuant to its resolution dated May 9, 2025.

Further, solely for the purpose of this Issue, in accordance with the terms of the litigation disclosure approach approved by our Board pursuant to its resolution dated July 7, 2025 our Company has disclosed in this section, to the extent applicable:

(a) all outstanding criminal litigations (including proceedings at FIR stage where no / some cognizance has been taken by the court or judicial authority) filed by or against our Company and / or our Subsidiaries, have been disclosed individually;
(b) any outstanding actions (including notices received) initiated by any regulatory and/or statutory authorities (such as SEBI, stock exchanges, or such similar authorities), involving our Company and/or our Subsidiaries have been disclosed individually;
*(c) all outstanding civil litigation (including arbitration proceedings) involving (which includes cases filed by and against) our Company and/or our Subsidiaries, where the amount involved exceeds ₹ 15.57 crore ("**Materiality Threshold**") have been disclosed individually;*
(d) outstanding direct and indirect tax proceedings (including show cause notices) involving our Company and/or our Subsidiaries, have been disclosed in a consolidated manner;
(e) any other outstanding legal matter (which includes cases filed by and against our Company and/or our Subsidiaries) where the aggregate amount involved is not quantifiable or is below the Materiality Threshold, but which, in the view of our Company, could individually or in the aggregate have a material adverse effect on the business or operations, financial position, prospects, or reputation of our Company.

Further, this section also discloses:

(a) any litigation or legal actions (including regulatory actions), pending or taken (including show cause notices), by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the year of this Placement Document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any;
(b) any inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any other previous company law in the last three years immediately preceding the year of this Placement Document against our Company and our Subsidiaries and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company and our Subsidiaries;
(c) any defaults by our Company and our Subsidiaries including therein the amount involved, duration of default and present status, in repayment of: (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; or (iv) loan from any bank or financial institution and interest thereon;
(d) any material frauds committed against our Company in the last three years immediately preceding the year of this Placement Document;
(e) any defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder;
(f) significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

It is clarified that for the purposes of the above, pre-litigation notices received (except for criminal cases and regulatory action) by our Company and our Subsidiaries shall not be considered as material litigation until such time that our Company and/or our Subsidiaries, as the case may be, are impleaded as a defendant in litigation proceedings before any judicial /arbitral forum.

Further, except as disclosed elsewhere in this Placement Document and in this section, none of our Promoters or Directors have been declared as fugitive economic offenders, and none of our Company, Promoters or Directors are declared as wilful defaulter or fraudulent borrowers.

Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

Litigation involving our Company

Litigation against our Company

Criminal proceedings

The Labour Officer and Bonus Payment Inspector, Surat, filed a criminal complaint before the Judicial Magistrate First Class, Surat alleging violation of Section 27(4), Section 20(4) and Section 19(b) of the Payment of Bonus Act, 1965 for non-payment of bonus to one workman within the timeline prescribed therein and the failure to submit Form 'C' for the accounting year 2007-2008. The matter is currently pending.

Actions taken by regulatory and statutory authorities

The Employees' Provident Fund Organisation ("**EPFO**"), Bharuch branch issued a letter dated May 30, 2019 ("**Letter**"), to our Company alleging that our Company defaulted in payment of provident fund and allied dues under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and *inter alia*, directed our Company to remit the defaulted contribution within seven working days from the date of the Letter. Our Company through its letter dated June 25, 2019, submitted its response stating that the relevant establishment closed its operations with effect from December 1, 2017, and that the same was communicated to EPFO through a letter dated November 30, 2017. Further, our Company requested for a formal recognition of the establishment's closed status. The matter is currently pending.

Material civil proceedings

Nil

Litigation by our Company

Criminal proceedings

Our Company filed a criminal complaint under Section 138 read with Section 142 of the Negotiable Instruments Act, 1881 in the Court of Metropolitan Magistrate, 33rd Court at Ballard Pier, Mumbai against Shayona Chemicals ("**Shayona**") and its proprietor Chirag Lakhiya (Chirag Lakhiya along with Shayona "**Accused**") for dishonour of cheque issued to our Company amounting to ₹ 0.21 crores pursuant to a purchase order dated June 2, 2017, for supply of 15,200 kg of cyclohaxanone to the Accused. The matter is currently pending.

Material civil proceedings

Nil

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Criminal proceedings

Nil

Actions taken by regulatory and statutory authorities

The cost audit branch, Ministry of Corporate Affairs, Government of India ("**MCA**") issued a show cause notice dated March 28, 2025 to our Subsidiary, Navin Fluorine Advanced Sciences Limited ("**NFASL**"), and officers of NFASL who are in default in relation to non-compliance with Section 148 of the Companies Act, 2013 due to the alleged failure to file the cost audit report for the Fiscal 2024. NFASL submitted a reply dated April 2, 2025 claiming that NFASL is exempted from the requirement of filing a cost audit report for the financial year ending March 31, 2024 under Rule 4, para 3(i) of the Companies (Cost Record and Audit) Rules, 2014. Subsequently, MCA issued a notice dated June 26, 2025 to NFASL stating that the response submitted by NFASL was not found to be satisfactory and directed NFASL to submit documents in support of their claim within a period of 15 days from the date of the notice. The matter is currently pending.

Material civil proceedings

Nil

Litigation by our Subsidiaries

Criminal proceedings

Nil

Material civil proceedings

Nil

Litigation or legal action pending or taken by any ministry, department of the Government or any statutory authority against our Promoters in the last three years immediately preceding the year of this Placement Document and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action

As on the date of this Placement Document, there has been no litigation or legal action pending or taken by any ministry, department of the Government or any statutory authority against our Promoters in the last three years immediately preceding the year of this Placement Document.

Inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company and Subsidiaries in the last three years immediately preceding the year of this Placement Document and Prosecutions filed against, fines imposed on, or compounding of offences by our Company and Subsidiaries under the Companies Act in the last three years immediately preceding the year of this Placement Document

Except as disclosed in "***– Litigation involving our Subsidiaries – Litigation against our Subsidiaries – Actions taken by regulatory and statutory authorities***" on page 249, as on the date of this Placement Document, there have been no inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company and Subsidiaries and no prosecutions filed against, fines imposed on, or compounding of offences by our Company and Subsidiaries under the Companies Act in the last three years immediately preceding the year of this Placement Document.

Material frauds committed against our Company in the last three years immediately preceding the year of this Placement Document, if any, and if so, the action taken by our Company

As on the date of this Placement Document, there has been no material frauds committed against our Company in the last three years immediately preceding the year of this Placement Document.

Details of default in repayment by our Company and Subsidiaries of (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon.

As on the date of this Placement Document, there has been no default in repayment by our Company or Subsidiaries of statutory dues, debentures and interest thereon, deposits and interest thereon and loan from any bank or financial institution and interest thereon.

Details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of our Company and its future operations

As on the date of this Placement Document, there has been no order passed by any regulator, court or tribunal which impacts the going concern status of our Company and/or its future operations.

Details of default in annual filings under the Companies Act, 2013 or rules made thereunder

As on the date of this Placement Document, there has been no default in annual filings by our Company under the Companies Act, 2013 or rules made thereunder.

Tax proceedings against our Company and Subsidiaries

Nature of case	Number of cases	Amount of tax involved (in ₹ crores)*
Proceedings involving our Company		
Direct Tax	14	11.21
Indirect Tax	20	85.47
Proceedings involving our Subsidiaries		
Direct Tax	5	1.04
Indirect Tax	Nil	Nil

** to the extent quantifiable*

INDEPENDENT AUDITORS

Our Company's current Statutory Auditors, Price Waterhouse Chartered Accountants LLP, are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI and have been appointed as the statutory auditors of our Company, pursuant to the approval of the Shareholders of our Company at the AGM held on June 29, 2017 and were reappointed pursuant to a resolution adopted by our Shareholders at the AGM held on July 27, 2022, for a second-term of five consecutive years.

The Audited Consolidated Financial Statements for the Financial Year 2025, the Audited Consolidated Financial Statements for the Financial Year 2024 and Audited Consolidated Financial Statements for the Financial Year 2023, together with the respective reports thereon issued by our current Statutory Auditors, Price Waterhouse Chartered Accountants LLP, have been included in this Placement Document.

As on the date of this Placement Document, our current Statutory Auditor, Price Waterhouse Chartered Accountants LLP, holds a valid peer review certificate.

GENERAL INFORMATION

- Our Company was originally incorporated as '*Polyolefins Rubber Chemicals Limited*' on June 25, 1998 as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 25, 1998 issued by the RoC and received a certificate of commencement of business from the RoC on August 7, 1998. Thereafter, the name of our Company was changed from '*Polyolefins Rubber Chemicals Limited*' to '*Navin Fluorine International Limited*' and subsequently, a fresh certificate of incorporation consequent to change of name was issued on October 6, 2004 by the RoC.

- The CIN of our Company is L24110MH1998PLC115499.

- The Registered and Corporate Office of our Company is situated at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400 069, Maharashtra, India.

- The Equity Shares are listed on BSE and NSE.

- The Issue was authorised and approved by the Board pursuant to a resolution dated June 29, 2024, and by the Shareholders of our Company pursuant to a special resolution dated August 1, 2024.

- Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on July 7, 2025 and July 7, 2025, respectively to list the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We shall apply for the final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the Gross Proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered and Corporate Office.

- Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

- There has been no material change in the financial or trading position of our Company since March 31, 2025, the date of the Financial Statements for the Financial Year 2025 included in this Placement Document, except as disclosed herein.

- Except as disclosed in this Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "***Legal Proceedings***" on page 248.

- Our Company confirms that it is compliant with the requirement of minimum public shareholding prescribed under the SEBI Listing Regulations and as per Rule 19A of the SCRR.

- The Floor Price is ₹ 4,798.28 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of ₹ 118.28 (equivalent to 2.46 % of the Floor Price) on the Floor Price in accordance with the approval of our Shareholders accorded through their special resolution dated August 1, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

- Niraj Bipinchandra Mankad is the President – Legal and Company Secretary of our Company. He is also the compliance officer of our Company. His details are as follows:

  Niraj Bipinchandra Mankad
  Office No. 602,
  Natraj by Rustomjee, Near Western Express Highway,
  Sir Mathuradas Vasanji Road, Andheri (East),
  Mumbai 400 069, Maharashtra,
  India

Tel: +91 22 6650 9984
E-mail: niraj.mankad@nfil.in

- Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including websites of our Group, would be doing it at his or her own risk

FINANCIAL STATEMENTS

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Navin Fluorine International Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Navin Fluorine International Limited (hereinafter referred to as the "Holding Company") and its branch and subsidiaries (Holding Company and its branch and subsidiaries, including a step down subsidiary together referred to as "the Group") and joint venture (refer Note 1B to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub- paragraph 14 and 15 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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T: +91 (22) 61197810

Registered office and Head office: 11-A, Vishnu Digamber Marg, Suchet

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Key Audit Matter	How our audit addressed the key audit matter
Impairment assessment of carrying value of: a) Goodwill relating to acquisition of Manchester Organics Limited, U.K.; and b) Identified Property, Plant and Equipment (PP&E) relating to Dewas Unit (Refer to Note 2(h), 2(i), 5A and 7 in the consolidated financial statements) The carrying value of the goodwill in relation to the acquisitions of the aforesaid subsidiary and the property plant and equipment (PP&E) relating to the group's manufacturing facility at Dewas as at March 31, 2025 is Rs. 72.85 crore and Rs.216.68 crores respectively, which in aggregate represents approximately 6.00% of the total assets of the Group. The Group carries the Goodwill at cost less any accumulated impairment losses, if any, and PP&E at cost less accumulated depreciation and impairment losses, if any. The Group reviews their carrying values at every balance sheet date and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', where there is any indication of impairment to the carrying value. Management estimates the recoverable amount of the Cash Generating Unit (CGU) to which the Goodwill and PP&E belong, based on discounted cash flows, requiring judgements in respect of certain key inputs like determining an appropriate discount rate, future cash flows and terminal growth rate. We have considered this to be a key audit matter as the balances are significant to the consolidated balance sheet and significant management judgement is involved in considering the goodwill relating to acquisition and the said PP&E as part of one CGU and calculation of recoverable amount for the purpose of impairment testing.	**Our procedures included the following:** • Understood the management process for impairment assessment and evaluated the design and tested the operating effectiveness of the group's internal controls surrounding such assessment. • Reviewed the Group's accounting policy in respect of impairment assessment of goodwill and PP&E. • Assessed whether the Group's determination of CGUs was consistent with our knowledge of the Group's operations. • Compared the previous year cash flow forecasts made by the management to actual results to assess the historical accuracy of forecasting. • To assess the reasonableness of the key assumptions used, in particular those relating to discount rates, cash flow forecasts and terminal growth rates applied: - Engaged auditors' valuation experts to determine a range of acceptable discount rates and terminal growth rates, with reference to valuations of similar companies and other relevant external data. - Performed sensitivity analysis on the forecasts by varying the key assumptions within a foreseeable range. - Tested the cash flow forecasts used and assessed whether those were consistent with our understanding of the business. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements.

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Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, Business responsibility and sustainability reporting format, report on corporate governance and management discussion and analysis report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 and 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The financial statements of one subsidiary reflect total assets of Rs. 35.17 crore and net assets of Rs 18.83 crore as at March 31, 2025, total revenue of Rs. 6.07 crore, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 3.80 Crore and net cash flows amounting to Rs. 0.61 Crore for the year ended on that date, as considered in the consolidated financial statements. whose financial statements have not been audited by us. The financial statements of this subsidiary have been audited by other auditor whose report have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based on the report of the other auditor and the procedures performed by us.



15. The financial statements of three subsidiaries and one step down subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 106.73 crore and net assets of Rs. 91.43 crore as at March 31, 2025, total revenue of Rs. 38.47 crore, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 1.58 crore and net cash flows amounting to Rs 0.37 crore for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and step down subsidiary located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and step down subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

16. The consolidated financial statements also include the Group's share of loss of Rs. 0.02 crore, in respect of one joint venture, whose financial statements have not been audited by us. The financial statements of this joint venture is unaudited and have been furnished to us by the management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, this financial statement is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

The statutory audit report of Swarnim Gujarat Fluorspar Private Limited, a joint venture of the Holding Company has not been issued until the date of this report. Accordingly, comments for the said joint venture have not been included under this clause.

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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Mumbai

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on April 1, 2025, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on April 1, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(b) above on reporting under Section 143(3)(b) and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, – Refer Note 51 to the consolidated financial statements.

ii. The Group and its joint venture did not have any long-term contracts including derivative contracts as at March 31, 2025 for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year.



iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in notes to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries joint ventures shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid by the Holding Company, its subsidiaries and joint venture during the year is in compliance with Section 123 of the Act.



vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except:

In the case of the primary accounting software, the audit log does not capture the log for changes made by certain users with specific access at the application layer. Further, the log for capturing direct database changes for the said software was enabled only during the year. The log is enabled only for specific users and the log does not capture the value prior to modification. In respect of direct database changes for the software used for processing payroll records, which is operated by a third-party software service provider, the ISAE 3402 Type 2 report is not available with the software service provider and accordingly, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year.

Further, the audit trail, to the extent maintained in the prior year, has been preserved by the company as per the statutory requirements for record retention.

19. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Nitin Khatri
Partner
Membership Number: 110282
UDIN: 25110282BMOGHA9595
Mumbai
May 09, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of Navin Fluorine International Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, its joint venture, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub-section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to the joint venture incorporated in India namely Swarnim Gujarat Fluorspar Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries, and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5021
Chartered Accountants
FRN 012754N/N500016
Mumbai

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements as of and for the year ended March 31, 2025

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012654N/N500016



Nitin Khatri
Partner
Membership Number: 110282
UDIN: 25110282BMOGHA9595
Mumbai
May 09, 2025

Navin Fluorine International Limited
Consolidated Balance sheet as at March 31, 2025
(Amount ₹ in crores unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
a. Property, plant and equipment	5A	2,550.47	1,685.44
b. Right-of-use assets	5B	46.27	48.43
c. Capital work-in-progress	5C	349.79	711.09
d. Investment properties	6	49.38	50.51
e. Goodwill	7	87.76	87.76
f. Intangible assets	7	2.41	2.46
g. Intangible assets under development	7A	5.63	-
h. Financial assets			
i. Investment accounted for using the equity method	8	0.72	0.74
ii. Investments	9	7.40	8.05
iii. Loans	10	0.18	0.25
iv. Other financial assets	11	22.39	23.31
i. Non-current tax assets (net)	12	12.98	12.70
j Other non-current assets	13	106.16	193.05
Total non-current assets		**3,241.54**	**2,823.79**
Current assets			
a. Inventories	14	322.42	371.65
b. Financial assets			
i. Investments	15	471.80	486.03
ii. Trade receivables	16	582.42	512.51
iii. Cash and cash equivalents	17	19.68	6.64
iv. Bank balances other than (iii) above	18	20.84	20.90
v. Loans	19	0.09	0.61
vi. Other financial assets	20	18.79	18.25
c. Other current assets	21	152.80	136.62
Total current assets		**1,588.84**	**1,553.21**
Total assets		**4,830.38**	**4,377.00**
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	22	9.92	9.91
b. Other equity			
i. Reserves and surplus	23A	2,458.38	2,216.34
ii. Other reserves	23B	157.93	156.42
Total equity		**2,626.23**	**2,382.67**
Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	24	1,053.44	1,022.86
ii. Lease Liabilities	25	13.19	17.30
b. Provisions	26	20.42	18.49
c. Deferred tax liabilities (Net)	27	75.41	64.33
d. Other non-current liabilities	28	13.44	13.45
e. Contract liabilities	31B	113.59	71.36
Total non-current liabilities		**1,289.49**	**1,207.79**
Current liabilities			
a. Financial liabilities			
i. Borrowings	24	387.29	317.08
ii. Lease Liabilities	29	12.47	11.22
iii. Trade payables	30		
a. Total outstanding dues of micro enterprises and small enterprises		44.68	44.13
b. Total outstanding dues other than (iii) (a) above		282.28	258.37
iv. Other financial liabilities	31	99.15	83.92
b. Contract liabilities	31A	26.23	18.66
c. Provisions	32	6.46	12.12
d. Current tax liabilities (Net)	12	3.94	0.78
e. Other current liabilities	33	52.16	40.26
Total current liabilities		**914.66**	**786.54**
Total liabilities		**2,204.15**	**1,994.33**
Total equity and liabilities		**4,830.38**	**4,377.00**
Material Accounting Policies	2		

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

NAVIN FLUORINE INTERNATIONAL LTD.

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282

Mumbai
Date : May 09, 2025

For and on behalf of the Board of Directors

Vishad P. Mafatlal
Chairman
DIN: 00011350

Nitin G. Kulkarni
Managing Director
DIN:03042587

Niraj B. Mankad
Company Secretary

Anish P. Ganatra
Chief Financial Officer

Mumbai
Date : May 09, 2025

Navin Fluorine International Limited

Consolidated Statement of Profit and Loss for the year ended March 31 2025

(Amount ₹ in crores unless otherwise stated)

Particulars	Notes	For the year ended March 2025	For the year ended March 2024
INCOME			
Revenue from operations	34	2,349.38	2,065.01
Other Income	35	43.73	55.85
Total Income		**2,393.11**	**2,120.86**
EXPENSES			
Cost of materials consumed	36	1,047.83	902.28
Purchases of stock-in-trade		7.48	9.43
Changes in Inventories of finished goods, work in progress and stock-in-trade	37	(16.69)	23.72
Employee benefit expense	38	296.67	285.84
Finance costs	39	77.93	74.56
Depreciation and amortisation expense	40	119.43	96.16
Other expenses	41	480.37	445.46
Total Expenses		**2,013.02**	**1,837.45**
Profit before exceptional items and tax		**380.09**	**283.41**
Exceptional items	51	-	52.13
Profit before tax		**380.09**	**335.54**
Tax expenses			
(1) Current tax			
(a) for the year	42	80.71	61.79
(b) for earlier year	42	(0.27)	(26.09)
(2) Deferred tax	27.1	11.05	29.33
Total Tax expenses		**91.49**	**65.03**
Profit for the year		**288.60**	**270.51**
Share of (loss) from joint ventures (Net)		(0.02)	(0.01)
Total profit for the year		**288.58**	**270.50**
Other comprehensive income			
(a) Items that will not be reclassified to profit and loss (net of Tax)			
(i) Remeasurement loss of the defined benefit obligations		1.83	(0.85)
(ii) Income tax relating to the above		(0.48)	0.31
Total (A)		**1.35**	**(0.54)**
(B) Items that may be reclassified to profit and loss			
(i) Exchange differences on translation of foreign operations		1.51	0.56
Total (B)		**1.51**	**0.56**
Total other comprehensive income (A+B)		**2.86**	**0.02**
Total comprehensive income for the year		**291.44**	**270.52**
Profit is attributable to:			
Owners of the Company		288.58	270.50
Other Comprehensive Income attributable to:			
Owners of the Company		2.86	0.02
Total Comprehensive Income attributable to:			
Owners of the Company		291.44	270.52
Earnings per equity share (of face value of ₹ 2.00 each)	44		
(1) Basic (in ₹)		58.20	54.57
(2) Diluted (in ₹)		58.14	54.49
Material Accounting Policies	2		

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes

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NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2025

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282

Mumbai
Date : May 09, 2025

For and on behalf of the Board of Directors

Vishad P. Mafatlal
Chairman
DIN: 00011350

Nitin G. Kulkarni
Managing Director
DIN:03047587

Niraj B. Mankad
Company Secretary

Anish P. Ganatra
Chief Financial Officer

Mumbai
Date : May 09, 2025

Note

2. Consolidated Statement of Cash Flows

₹ in Crores

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Audited	Audited
Cash flows from operating activities		
Profit before tax	380.09	335.54
Adjustments for:		
Depreciation and amortisation expense	119.43	96.16
Exceptional Items	-	(52.13)
(Gain) on sale / disposal of property, plant and equipment (net)	(0.07)	0.89
(Gain) on sale of investments (net)	(22.63)	(5.34)
Changes in fair value of financial assets at fair value through profit or loss	(3.49)	(10.95)
Employee Share-based payment expense	11.51	1.47
Finance Costs	77.93	74.56
Interest income	(1.69)	(3.26)
Lease rental income on investment properties	(13.77)	(13.17)
Net Loss on foreign currency transactions	3.77	(1.41)
Dividend Income	(0.10)	(0.03)
Excess provision/ liabilities written back	-	(0.01)
Provision for doubtful debts	3.65	0.81
Provision for doubtful advances	0.97	-
Operating profit before changes in operating assets and liabilities	**555.60**	**423.13**
Adjustments for:		
Decrease/ (Increase) in trade receivables	(78.39)	50.62
Decrease in inventories	49.23	96.47
Decrease in other assets	34.80	77.93
Increase in trade and other payables	87.58	136.01
Cash generated from operations	**648.82**	**784.16**
Income taxes paid (net of refunds)	(78.01)	(34.27)
Net cash (used in) / generated from operating activities	**570.81**	**749.89**
Cash flows from investing activities		
Payments for property, plant and equipment	(561.14)	(732.39)
Payments for Intangible assets under development	(5.63)	-
Proceeds from sale of property, plant and equipment	0.30	54.13
Decrease in deposits with banks	(0.78)	3.40
Payments for purchase of investments	(1,567.45)	(1,878.24)
Proceeds from sale of investments	1,608.45	1,443.51
Lease rental income on investment properties	13.39	12.68
Dividend received	0.10	0.03
Interest received	1.69	3.26
Net cash used in investing activities	**(511.07)**	**(1,093.62)**
Cash flows from financing activities		
Principal elements of lease payments	(10.20)	(6.60)
Proceeds from issue of Shares	0.01	-
Proceeds from allotment of Employee Stock Option Plan (ESOP)	0.13	0.09
Proceeds of long term borrowings	31.97	380.85
Proceeds of short term borrowings (net)	69.47	110.44
Dividend paid	(59.50)	(74.32)
Interest paid	(78.58)	(74.56)
Net cash (used in) / generated from financing activities	**(46.70)**	**335.90**
Net Increase/ (decrease) in cash and cash equivalents	**13.04**	**(7.83)**
Cash and cash equivalents at the beginning of the year	6.64	14.47
Cash and cash equivalents at the end of the year	**19.68**	**6.64**
Reconcillation of cash and cash equivalents as per the cash flow statement		
As per Balance sheet - Note 17	19.68	6.64
As per Cash flow statement	**19.68**	**6.64**

Notes:

(1) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Statement of Cash Flows" as notified under Companies (Accounts) Rules, 2015.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Statement of Cash flows for the year ended March 31, 2025

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282

Mumbai
Date : May 09, 2025

For and on behalf of the Board of Directors

Vishad P. Mafatlal
Chairman
DIN: 00011350

Nitin G. Kulkarni
Managing Director
DIN:03042587

Niraj B. Mankad
Company Secretary

Anish P. Ganatra
Chief Financial Officer

Mumbai
Date : May 09, 2025

Navin Fluorine International Limited
Consolidated Statement of changes in equity for the year ended March 31, 2025
(Amount ₹ in crores unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at March 31, 2023	**9.91**
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
Balance as at March 31, 2024	**9.91**
Shares issued on exercise of employee stock options during the year	0.01
Less: Calls in arrears	-
Balance as at March 31, 2025	**9.92**

*Numbers are below rounding off

B. Other Equity

Particulars	Reserves & Surplus				Other Reserves					Total other equity
	Securities Premium Reserve	General Reserve	Share Options Outstanding Account	Retained Earnings	Capital Reserve 1	Capital Reserve 2	Capital redemption reserve	Calls in arrears / share options pending for allotment	Foreign currency translation reserve	
Balance as at March 31, 2023	**27.18**	**73.33**	**17.62**	**1,901.05**	**80.35**	**70.35**	**0.34**	**0.01**	**4.81**	**2,175.04**
Profit for the year	-	-	-	270.50	-	-	-	-	-	270.50
Other comprehensive income for the year, net of income tax	-	-	-	(0.54)	-	-	-	-	0.56	0.02
Total comprehensive income for the year	**-**	**-**	**-**	**269.96**	**-**	**-**	**-**	**-**	**0.56**	**270.52**
Shares issued on exercise of employee stock options during the year	0.09	-	-	-	-	-	-	-	-	0.09
Recognition of share-based payments (Net)		-	1.47	-	-	-	-	-		1.47
Payment of dividends (including tax)	-	-	-	(74.36)	-	-	-	-	-	(74.36)
Balance as at March 31, 2024	**27.27**	**73.33**	**19.09**	**2,096.65**	**80.35**	**70.35**	**0.34**	**0.01**	**5.37**	**2,372.76**
Profit for the year	-	-	-	288.58	-	-	-	-	-	288.58
Other comprehensive income for the year, net of income tax	-	-	-	1.35	-	-	-	-	1.51	2.86
Total comprehensive income for the year	**-**	**-**	**-**	**289.93**	**-**	**-**	**-**	**-**	**1.51**	**291.44**
Shares issued on exercise of employee stock options during the year	**6.37**	-	-	-	-	-	-	-	-	6.37
Recognition of share-based payments (Net)		-	5.26	-	-	-	-	-		5.26
Payment of dividends (including tax)	-	-	-	(59.50)	-	-	-	-	-	(59.50)
Balance as at March 31, 2025	**33.64**	**73.33**	**24.35**	**2,327.08**	**80.35**	**70.35**	**0.34**	**0.01**	**6.88**	**2,616.33**

The above Consolidated Statement of changes in Equity should be read in conjunction with the accompanying notes.

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NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Statement of changes in equity for the year ended March 31, 2025

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282

Mumbai
Date : May 09, 2025

For and on behalf of the Board of Directors

Vishad P. Mafatlal
Chairman
DIN: 00011350

Nitin G. Kulkarni
Managing Director
DIN:03042587

Niraj B. Mankad
Company Secretary

Anish P. Ganatra
Chief Financial Officer

Mumbai
Date : May 09, 2025

Navin Fluorine International Limited
Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2025

1A. Corporate Information

Navin Fluorine International Limited ("the Company") is a public limited company, incorporated under the provisions of the Companies Act, 1956. Its registered office is located at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400069.

The Company and its subsidiary Companies are referred to as the Group here under. The Group primarily focuses on fluorine chemistry - producing refrigeration gases, inorganic fluorides, specialty organofluorines and offers Contract Research and Manufacturing Services.

1B. Basis of Consolidation

Name of the Company	Country of Incorporation	Proportion of Ownership	
		As at March 31, 2025	As at March 31, 2024
Subsidiaries:			
Sulakshana Securities Limited	India	100%	100%
Navin Fluorine Advanced Sciences Limited	India	100%	100%
NFIL (UK) Limited	UK	100%	100%
Manchester Organics Limited	UK	100%	100%
Navin Fluorine (Shanghai) Co. Limited	China	100%	100%
Step-down Subsidiary:			
NFIL USA, Inc.	USA	100%	100%
Joint Ventures (JV):			
Swarnim Gujarat Fluorspar Private Limited (JV)	India	49.48%	49.48%

2. Material Accounting Policies

This note provide a list of the material accounting policies adopted by the Group in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Consolidated Financial Statements are for the group consisting of the Company, subsidiaries and step-down subsidiary companies.

a) Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the following:
- certain financial assets and liabilities (including derivative instruments) and contingent consideration are measured at fair value.
- defined benefit plans – plan assets are measured at fair value.
- share-based payments are measured at fair value.





(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:.

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

b) Principles of consolidation and equity accounting

(i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

(ii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in Joint Ventures.

Interest in Joint Venture Company are accounted for using the equity method of accounting [see (iii) below], after initially being recognised at cost in the Consolidated Financial Statements.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate and joint venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset

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transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 58 (h).

(iv) Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

c) Revenue recognition

(i) Sale of Goods

Revenue is generated primarily from sale of chemicals. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of lading as per the terms of contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

(ii) Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.





(iii) Contract liability

A contract liability is the obligation to transfer goods / render services to the customer for which the Group has received consideration from the customer. Contract liabilities are recognized as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods / rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(iv) Export Incentives

Export incentives are recognised for based on the eligibility and when there is no uncertainty in receiving the same.

d) Leases

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

See note 58(d) for the other accounting policies relevant to Leases.

e) Income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.
Deferred tax liabilities are not recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations

Leave obligation:
The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

Defined benefit plan

Gratuity Obligations:
The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

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The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the Consolidated Statement of Changes in Equity in the balance sheet.

Provident fund liability:
The Group contributes towards family pension fund, superannuation fund and provident fund for certain employees which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Provident Fund for certain employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognized by the Income Tax authorities where other entities are also the participant. Periodic contributions to the Fund are charged to the Consolidated Statement of Profit and Loss and when services are rendered by the employees. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

g) Employee share-based payment arrangements

Eligible employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to eligible employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an ndependent valuer basis Black Scholes model. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this pricing model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

h) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less deprecation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment which are not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the Contract

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Development and Manufacturing Organisation (CDMO) assets mentioned in table below, where useful life is different than those prescribed in Schedule II. The estimated useful life of the CDMO assets, mentioned in table below, has been assessed based on external technical evaluation which considered the nature of the assets, estimated usage of the assets, the operating condition of the assets, anticipated technological changes, manufacturer warranties, experience of the management and group companies, maintenance support, etc:

Assets	Useful Life
Plant and Machinery	5-30 years
Building	50 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

See note 58(e) for the other accounting policies relevant to Property, Plant and Equipment

i) Intangible assets

Goodwill

Goodwill on acquisitions of subsidiary companies is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of Goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

See note 58(f) for the other accounting policies relevant to intangible assets.

j) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable, borrowing costs.

Investment properties are depreciated using straight line method over their useful lives specified in Schedule II to the Companies Act, 2013.

See note 58(g) for the other accounting policies relevant to Investment properties.

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k) Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on weighted average basis. Cost includes all charges in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

l) Cash and Cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

p) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

q) Provisions and contingencies

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

r) Investment in associate and joint ventures

Investments in associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Consolidated Statement of Profit and Loss.

s) Investment and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Consolidated Statement of Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Consolidated Statement of Profit and Loss or other comprehensive income.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Consolidated Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Profit or Loss are expensed in the Statement of Consolidated Profit and Loss.

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I. Debt Instruments:

Subsequent measurement of debt instruments depends on the Group business model for managing the assets and cash flows characteristic. There are three measurement categories into which the group classifies its debt instruments.

- **Amortised Cost:** Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the Statement of Consolidated Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Consolidated Profit and Loss.

- **Fair value through other comprehensive Income (FVOCI):** Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

- **Fair Value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income. Debt instrument under this category comprises of investments in mutual funds that do not qualify for measurement at either at amortised cost or FVOCI.

II. Equity instruments

The Group subsequently measures all equity investments other than investment in subsidiary companies and joint venture at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in Statement of Consolidated Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Consolidated Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Group determines whether there has been a significant increase in credit risk 47.5.

(v) Income recognition

- **Interest income:**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognized in the Statement of Consolidated Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

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- **Dividend:**

  Dividends are recognised in the Consolidated Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

t) Exceptional items

If the management believes that losses are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

3. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgements are:

(a) Estimation of current tax expense and current tax payable [Refer note:42]
(b) Estimated fair value of unlisted equity securities. [Refer note:47.2]
(c) Useful lives of property, plant and equipment and intangible assets. [Refer note:5A & 7]
(d) Estimation of Defined benefits plan [Refer note:46]
(e) Estimation of contingent liabilities [Refer note:51]
(f) Impairment of trade receivables [Refer note:47.5]

4. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

5A. PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Freehold land	Buildings	Office Equipment	Vehicles	Plant and machinery	Furniture and Fixture	Total
I. Gross Block							
Balance as at April 1, 2023	0.37	218.15	24.18	3.17	1,430.55	18.75	1,695.17
Additions	-	46.51	5.24	0.26	241.28	8.26	301.55
Disposals/Adjustments	-	-	(0.28)	(1.12)	(7.07)	(0.35)	(8.82)
Effect of Foreign currency exchange difference	-	-	0.03	-	0.33	-	0.36
Balance as at March 31, 2024	**0.37**	**264.66**	**29.17**	**2.31**	**1,665.09**	**26.66**	**1,988.26**
II. Accumulated depreciation							
Balance as at April 1, 2023	-	16.83	9.20	1.72	190.30	5.29	223.34
Depreciation expense for the year	-	5.22	3.63	0.31	74.58	3.12	86.86
Disposals/Adjustments	-	-	(0.18)	(0.90)	(6.30)	(0.27)	(7.65)
Effect of Foreign currency exchange difference	-	-	0.02	-	0.25	-	0.27
Balance as at March 31, 2024	**-**	**22.05**	**12.67**	**1.13**	**258.83**	**8.14**	**302.82**
Net block (I-II)							
Balance as at March 31, 2024	**0.37**	**242.61**	**16.50**	**1.18**	**1,406.26**	**18.52**	**1,685.44**
I. Gross Block							
Balance as at April 1, 2024	0.37	264.66	29.17	2.31	1,665.09	26.66	1,988.26
Additions	-	124.35	12.63	-	835.00	1.08	973.06
Disposals/Adjustments	-	-	(0.02)	(0.45)	(3.01)	-	(3.48)
Effect of Foreign currency exchange difference	-	-	0.04	-	0.65	-	0.69
Balance as at March 31, 2025	**0.37**	**389.01**	**41.82**	**1.86**	**2,497.73**	**27.74**	**2,958.53**
II. Accumulated depreciation							
Balance as at April 1, 2024	-	22.05	12.67	1.13	258.83	8.14	302.82
Depreciation expense for the year	-	6.88	3.92	0.28	93.45	3.42	107.95
Disposals/Adjustments	-	-	(0.02)	(0.40)	(2.83)	-	(3.25)
Effect of Foreign currency exchange difference	-	-	0.04	-	0.50	-	0.54
Balance as at March 31, 2025	**-**	**28.93**	**16.61**	**1.01**	**349.95**	**11.56**	**408.06**
Net block (I-II)							
Balance as at March 31, 2025	**0.37**	**360.08**	**25.21**	**0.85**	**2,147.78**	**16.18**	**2,550.47**

* Numbers are below rounding off

Note:

i) Refer note 50 for details of Capital commitment relating to Property, plant and equipment.

ii) Refer note 24 for information on charge on Property, plant and equipement as collateral security by the group.

iii) Property, plant and equipment includes gross amount of ₹ 412.96 crores (March 31, 2024: ₹ 443.45 crores) for capex associated with a dedicated supply contract meeting the criteria of operating lease under Ind AS 116.

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5B. RIGHT-OF-USE ASSETS

This note provides information for leases where the Group is a lessee. The Group leases various Premises, Vehicles and Plant and machinery.

Description	Premises	Vehicles	Plant and machinery	Leasehold Land	Total
I. Gross Block					
Balance as at April 01, 2023	22.47	3.54	2.22	24.33	52.56
Addition	7.61	7.73	8.90	-	24.24
Disposals/Adjustments	(13.42)	-	(1.80)	-	(15.22)
Effects of Foreign currency	-	-	0.06	-	0.06
Balance as at March 31, 2024	**16.66**	**11.27**	**9.38**	**24.33**	**61.64**
II. Accumulated depreciation					
Balance as at April 01, 2023	14.66	1.34	0.91	2.56	19.47
Depreciation expense for the year	4.18	1.87	1.34	0.24	7.63
Disposals/Adjustments	(13.43)	-	(0.47)	-	(13.90)
Effects of Foreign currency	-	-	0.01	-	0.01
Balance as at March 31, 2024	**5.41**	**3.21**	**1.79**	**2.80**	**13.21**
Net block (I-II)					
Balance as at March 31, 2024	**11.25**	**8.06**	**7.59**	**21.53**	**48.43**
I. Gross Block					
Balance as at April 01, 2024	16.66	11.27	9.38	24.33	61.64
Addition	0.10	5.81	1.43	-	7.34
Disposals/Adjustments	-	-	-	-	-
Effects of Foreign currency	-	-	-	-	-
Balance as at March 31, 2025	**16.76**	**17.08**	**10.81**	**24.33**	**68.98**
II. Accumulated depreciation					
Balance as at April 01, 2024	5.41	3.21	1.79	2.80	13.21
Depreciation expense for the year	4.77	2.36	2.13	0.24	9.50
Disposals/Adjustments	-	-	-	-	-
Effects of Foreign currency	-	-	-	-	-
Balance as at March 31, 2025	**10.18**	**5.57**	**3.92**	**3.04**	**22.71**
Net block (I-II)					-
Balance as at March 31, 2025	**6.58**	**11.51**	**6.89**	**21.29**	**46.27**

* Numbers are below rounding off

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5C. CAPITAL WORK-IN PROGRESS

(a) Movement of Capital work-in-progress

Description	Total
Capital work-in progress	
Balance as at March 31, 2023	**278.58**
Addition	736.20
Disposals/Adjustments/Transfers	(303.69)
Balance as at March 31, 2024	**711.09**
Addition	606.18
Disposals/Adjustments/Transfers	(967.48)
Balance as at March 31, 2025	**349.79**

(b) Ageing of Capital work-in-progress

Particulars	As at March 31, 2025				
	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress	337.32	12.10	0.37	-	349.79
Total	**337.32**	**12.10**	**0.37**	**-**	**349.79**

Particulars	As at March 31, 2024				
	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress	628.62	75.17	7.30	-	711.09
Total	**628.62**	**75.17**	**7.30**	**-**	**711.09**

c) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	As at March 31, 2025				
	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress		-	-	-	-
Project A	262.69	-	-	-	262.69
Total	**262.69**	-	-	-	-

Particulars	As at March 31, 2024				
	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	-
Project A	593.45	-	-	-	593.45
Total	**593.45**	-	-	-	**593.45**

d) In current year group has included ₹ 110.72 crores in Capital work-in-progress as preoperative expenses (Previous year : ₹ 63.59 crores)

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6. INVESTMENT PROPERTIES

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount		
Opening Balance	59.58	59.58
Additions	-	-
Disposals	-	-
Closing Balance	**59.58**	**59.58**
II. Accumulated depreciation		
Opening Balance	9.07	7.93
Charge for the year	1.13	1.14
Closing Balance	**10.20**	**9.07**
Net carrying amount (I-II)	**49.38**	**50.51**

(i) Amount recognised in the Consolidated Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2025	As at March 31, 2024
Rental Income (refer note 35)	13.77	13.17
Direct operating expenses from property that generated rental income	(3.21)	(2.59)
Profit from investment properties before depreciation	**10.56**	**10.58**
Depreciation	1.13	1.14
Profit from investment properties	**9.43**	**9.44**

(ii) Minimum lease payments receivable on leases of investment properties are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Within 1 year	17.04	15.82
Between 1 and 2 years	16.62	17.04
Between 2 and 3 years	15.06	16.62
Between 3 and 4 years	11.71	15.06
Between 4 and 5 years	9.07	11.71
Later than 5 years	3.67	12.74
Total	**73.17**	**88.98**

(iii) Fair Value

Particulars	As at March 31, 2025	As at March 31, 2024
Investment properties	249.67	227.00

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by independent valuer. The valuation is based on market research, market trend and comparable values as considered appropriate. All resulting fair value estimates for investment properties are included in level 3.

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7. INTANGIBLE ASSETS AND GOODWILL

Particulars	Intangible assets	Goodwill
Balance at April 1, 2023	4.40	87.76
Additions	1.44	
Deduction/Adjustment	-	-
Balance at March 31, 2024	**5.84**	**87.76**
Accumulated amortisation		
Balance at April 1, 2023	2.85	-
Amortisation expense	0.53	-
Deduction/Adjustment	-	-
Balance at March 31, 2024	**3.38**	-
Net carrying amount as at March 31, 2024	**2.46**	**87.76**

Balance at April 1, 2024	5.84	87.76
Additions	0.80	
Deduction/Adjustment	(1.42)	-
Balance at March 31, 2025	**5.22**	**87.76**
Accumulated amortisation		
Balance at April 1, 2024	3.38	-
Amortisation expense	0.85	-
Deduction/Adjustment	(1.42)	-
Balance at March 31, 2025	**2.81**	-
Net carrying amount as at March 31, 2025	**2.41**	**87.76**

Significant estimate - impairment of Goodwill

For the purpose of impairment testing, Goodwill is allocated to a cash generating unit, representing the lowest level within the Group at which Goodwill is monitored for internal Management purposes and which is not higher than the operating segment of the Group. The Goodwill of ₹ 14.91 Crores pertains to the acquisition of Sulakshana Securities Limited and recoverable amount has been determined using fair value less cost of disposal. Goodwill of ₹ 72.85 Crores pertains to the acquisition of Manchester Organics Limited and recoverable amount has been determined based on its value in use.

Under value in use calculation, management with the help of external valuer uses cash flow projections based on financial budgets approved by the management covering a five-year period, and a discount rate of 14.25% per annum respectively. The cash flows beyond that five-year period have been extrapolated using a terminal growth rate of 3% per annum. The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. Accordingly, there was no impairment recorded for the period March 31, 2025.

7 A. INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Software
Balance at April 1, 2024	-
Additions	5.63
Deduction/Adjustment	-
Balance at March 31, 2025	**5.63**
Accumulated amortisation	
Balance at April 1, 2024	-
Amortisation expense	-
Deduction/Adjustment	-
Balance at March 31, 2025	-
Net carrying amount as at March 31, 2025	**5.63**

(a) Ageing Of Other Intangible Assets Under Development

	As at March 31, 2025				
	Amounts in capital work-in-progress for				
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress*	5.63	-	-	-	5.63
Total	**5.63**	-	-	-	**5.63**

	As at March 31, 2024				
	Amounts in capital work-in-progress for				
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	-
Total	-	-	-	-	-

*Note: Majorly includes cost relating to SAP S4 HANA and its implementation cost

(b) Completion schedule for Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

	As at March 31, 2025				
	To be completed in				
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress					
Project A	0.90	-	-	-	0.90
Total	**0.90**	-	-	-	**0.90**

	As at March 31, 2024				
	To be completed in				
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in Progress					
Project A	-	-	-	-	-
Total	-	-	-	-	-

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8. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at March 31, 2025		As at March 31, 2024	
	Quantity	Amount	Quantity	Amount
Investments in Equity Instruments				
In joint ventures (Unquoted, fully paid up)		-		-
- Equity shares of Swarnim Gujarat Fluorspar Private Limited of ₹ 10.00 each	11,82,500	0.74	11,82,500	0.75
Add: Share in total comprehensive income		(0.02)		(0.01)
Total		**0.72**		**0.74**
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		**0.72**		**0.74**
Aggregate amount of impairment in value of investments		-		-

9. INVESTMENTS

Particulars	As at March 31, 2025		As at March 31, 2024	
	Quantity	Amount	Quantity	Amount
(a) Investments in Equity Instruments				
Unquoted, fully paid up - (at fair value through profit or loss)				
- Equity shares of Cebon Apparel Private Limited of ₹ 10.00 each	3,90,591	3.73	3,90,591	3.36
- Equity shares of Mafatlal Services Limited of ₹ 100.00 each [Gross (-) impairment of ₹ 0.13 crores (March 31, 2024: ₹ 0.13 crores)]	9,300	-	9,300	-
(b) Investments in Alternate investment fund - (at fair value through profit or loss)				
- ASK Real Estate Special Situation Fund - I -RESSF-4071	265	3.67	381	4.69
Total		**7.40**		**8.05**
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		**7.40**		**8.05**
Aggregate amount of impairment in value of investments		**0.13**		**0.13**

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10. LOANS (NON-CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
- Loans to employees	0.18	0.25
Total	**0.18**	**0.25**

Break up of Security details

Particulars	As at March 31, 2025	As at March 31, 2024
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.18	0.25
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**0.18**	**0.25**
Loss allowance	-	-
Total	**0.18**	**0.25**

11 OTHER FINANICAL ASSETS (NON-CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks held as margin money*	6.06	6.06
Security deposits	12.77	13.93
Rent Receivable	3.56	3.32
Total	**22.39**	**23.31**

* The above bank deposits are marked as lien against bank guarantees.

12. NON-CURRENT TAX ASSETS / CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Non Current Tax Assets [net of provision ₹231.22 Crores (March 31, 2024: ₹ 232.84 Crores)]	12.98	12.70
Current Tax Liability [net of Advance tax ₹ 227.47 Crores (March 31, 2024: ₹ 150.92 Crores)]	3.94	0.78

13. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	28.40	66.39
Prepaid expenses	0.25	0.12
Advance Fringe benefit tax	0.04	0.04
Advances towards a Project (refer note 53)	1.63	1.63
Balances with government authorities	75.84	124.87
Total	**106.16**	**193.05**

14. INVENTORIES

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	130.33	200.00
Work-in-progress	63.67	48.54
Finished goods	71.43	68.39
Stores and Spares	56.99	54.72
Total	**322.42**	**371.65**

Write-downs of inventories to net realisable value amounted to ₹ 13.73 crores (March 31, 2024 : ₹ 2.24 crores). These were recognised as an expense during the year and included in " Cost of materials consumed ", " Consumption of stores and spares" and " Changes in Inventories of finished goods, work in progress and stock-in-trade' in the Statement of Profit and Loss ".

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15. INVESTMENTS

Particulars	As at March 31, 2025		As at March 31, 2024	
	Quantity	Amount	Quantity	Amount
(a) Investments in Equity Instruments (Quoted, fully paid up) - (at fair value through profit or loss)				
- Equity shares of NOCIL Limited of ₹ 10.00 each	1,10,000	1.92	1,10,000	2.74
(b) Investments in mutual funds (Unquoted) - (at fair value through profit or loss)				
- Aditya Birla Corporate Bond Fund - Direct Plan - Growth Option	16,07,478	18.08	-	-
- Aditya Birla Liquid Fund - Direct Plan - Growth Option	3,02,570	12.67	-	-
- Aditya Birla SunLife Liquid Fund - Regular Plan - Growth Option	-	-	6,36,029	24.53
- Axis Liquid Fund - Direct Plan - Growth Option	35,146	10.13	-	-
- Axis Liquid Fund - Regular Plan - Growth Option	-	-	1,38,111	36.80
- AXIS Overnight Fund - Direct Plan - Growth Option	1,85,214	25.03	-	-
- AXIS Overnight Fund - Regular Plan Growth	-	-	7,99,550	43.56
- Bandhan Arbitrage Fund - Direct Plan - Growth Option	61,00,742	21.05	-	-
- Bandhan Dynamic Bond Fund - Direct Plan - Growth Option	42,43,990	15.91	-	-
- Bandhan Ultra Short Term Fund - Regular Plan - Growth Option	-	-	83,99,383	11.68
- Bandhan Liquid Fund - Regular Growth	-	-	43,203	12.50
- Edelweiss Arbitrage Fund - Direct Plan - Growth Option	1,02,99,616	21.06	-	-
- HDFC Banking & PSU Debt Fund - Direct Plan - Growth Option	76,51,645	17.92	-	-
- HDFC Liquid Fund - Direct Plan - Growth Option	1,057	0.54	-	-
- HDFC Liquid Fund - Regular Plan - Growth Option	-	-	88,602	41.63
- HDFC Money Market Fund - Direct Plan - Growth Option	18,447	10.55	-	-
- HDFC Overnight Fund - Regular Plan - Growth Option	-	-	2,12,103	13.02
- HDFC Ultra Short Term Fund - Regular Plan - Growth Option	-	-	92,04,077	12.74
- HDFC Overnight Fund - Regular plan- Growth	-	-	28,410	10.01
- HSBC Corporate Bond Fund - Direct Plan - Growth Option	23,74,477	18.04	-	-
- HSBC Liquid Fund - Direct Plan - Growth Option	35,233	9.11	-	-
- HSBC Liquid Fund - Regular Plan - Growth Option	-	-	95,677	22.84
- ICICI Prudential Liquid Fund - Regular Plan - Growth Option	-	-	8,65,252	23.20
- ICICI Prudential Liquid Fund - Direct Plan - Growth Option	4,10,355	15.75	-	-
- ICICI Prudential Money Market Fund - Direct Plan - Growth Option	2,79,954	10.54	-	-
- ICICI Prudential Overnight Fund - Regular Plan - Growth Option	-	-	1,38,281	6.07
- ICICI Ultra Short Term Fund - Regular Plan - Growth Option	-	-	50,36,768	12.75
- ICICI Prudential Liquid Fund - Regular Plan - Growth Option	81,462	3.10	-	-
- Kotak Corporate Bond Fund - Direct Plan - Growth Option	46,955	18.07	-	-
- Kotak Equity Arbitrage Fund Direct - Regular Growth	1,04,33,676	41.06	-	-
- Mirae Asset Liquid Fund - Direct Plan - Growth Option	1,21,060	33.16	-	-
- Mirae Asset Liquid Fund - Regular Plan - Growth Option	-	-	1,83,887	36.29
- Mirae Asset Ultra Short Term Fund - Direct Plan - Growth Option	1,54,331	20.01	-	-
- Mirae Asset Overnight Fund Growth	-	-	8,76,019	3.04
- Nippon India Banking & PSU Debt Fund - Direct	85,66,346	18.03	-	-
- Nippon India Liquid Fund - Regular Plan - Growth Option	-	-	67,087	39.20
- Nippon India Money Market Fund - Regular Plan - Growth Option	-	-	34,418	13.01
- Nippon India Ultra Short Duration Fund - Direct Plan - Growth Option	45,954	20.01	-	-
- Nippon India Ultra Short Duration Fund - Regular Plan - Growth Option	-	-	25,069	9.25
- SBI Liquid Fund - Direct Plan - Growth Option	28,912	11.73	-	-
- SBI Overnight Fund - Direct Plan - Growth Option	36,144	15.01	-	-
- Sundaram Liquid Fund - Direct Plan - Growth Option	87,591	20.07	-	-
- Sundaram Liquid Fund - Regular Plan - Growth Option	-	-	9,522	8.49
- Tata Arbitrage Fund - Direct Plan - Growth Option	1,41,87,818	21.06	-	-
- Tata Liquid Fund - Direct Plan - Growth Option	31,435	12.87	-	-
- TATA Liquid Fund - Regular Plan - Growth Option	-	-	1,13,945	32.57
- UTI Liquid Cash Plan - Regular Plan - Growth Option	-	-	72,978	28.66
- UTI Liquid Fund - Direct Plan - Growth Option	29,319	12.46	-	-
- UTI Overnight Fund - Direct Plan - Growth Option	42,952	15.01	-	-
- UTI Overnight Fund - Regular Plan - Growth Option	-	-	6,54,791	39.60
(c) Investments in Bonds/debentures (Unquoted, fully paid up) - (at amortised cost)				
- 10% Non-convertible debentures of ATS Infrabuild Private Limited SR-I to III NCD	18	1.85	18	1.85
Total		**471.80**		**486.03**
Of the above:				
Aggregate amount of quoted investments and market value thereof		1.92		2.74
Aggregate amount of unquoted investments		469.88		483.29
Aggregate amount of impairment in value of investments		-		-

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16. TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	588.94	517.54
Receivables from related parties (refer note 49)	2.16	-
Less:- Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(8.68)	(5.03)
Total receivables	**582.42**	**512.51**

Break-up for security details

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - Secured	1.24	1.20
Trade receivables considered good - Unsecured	581.18	511.31
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	8.68	5.03
Total receivables	**591.10**	**517.54**
Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(8.68)	(5.03)
Total trade receivables	**582.42**	**512.51**

Ageing of trade receivables:

Particulars	As at March 31, 2025						
	Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
a) Considered good	541.63	40.73	0.03	-	-	0.03	582.42
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	2.72	0.06	1.19	4.71	8.68
Total Undisputed trade receivables	**541.63**	**40.73**	**2.75**	**0.06**	**1.19**	**4.74**	**591.10**
Disputed trade receivables							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed trade receivables	-	-	-	-	-	-	-
Total trade Receivables	**541.63**	**40.73**	**2.75**	**0.06**	**1.19**	**4.74**	**591.10**

Particulars	As at March 31, 2024						
	Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
a) Considered good	453.24	54.81	0.71	3.69	0.05	0.01	512.51
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	0.26	2.89	1.88	5.03
Total Undisputed trade receivables	**453.24**	**54.81**	**0.71**	**3.95**	**2.94**	**1.89**	**517.54**
Disputed trade receivables							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed trade receivables	-	-	-	-	-	-	-
Total trade receivables	**453.24**	**54.81**	**0.71**	**3.95**	**2.94**	**1.89**	**517.54**

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17 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.06	0.07
Cheque, drafts on hand	1.20	-
Balances with banks in current account *	18.36	6.52
Deposits with original maturity of less than or equal to 3 months	0.06	0.05
Total	**19.68**	**6.64**

*One current account with bank balance ₹ 0.02 Crores (March 31, 2024: ₹ 0.02 Crores), which has not been transferred from Mafatlal Industries Limited pursuant to its scheme of demerger, is in the process of being transferred in the Company's name.

18 OTHER BANK BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
Unpaid dividend	3.90	4.74
Deposits with maturity of more than 3 month and less than 12 months	3.87	3.81
Deposits received under protest (refer note 54)	12.72	12.00
Balances in earmarked accounts (Unpaid matured debentures)	0.35	0.35
Total	**20.84**	**20.90**

19 LOANS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
- Loans to employees	0.40	0.61
Less: Loss allowance	(0.31)	-
Total	**0.09**	**0.61**

Break-up of Security details

Particulars	As at March 31, 2025	As at March 31, 2024
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.09	0.61
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**0.09**	**0.61**
Loss allowance	-	-
Total	**0.09**	**0.61**

20 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Rent Receivable	0.43	0.29
Lease Receivable	-	9.96
Security deposits	2.19	0.44
Derivative assets - Foreign exchange contracts	1.84	0.14
Export incentive receivables	8.19	7.34
Other Receivable	6.14	0.08
Total	**18.79**	**18.25**

21 OTHER CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Advances to suppliers	13.33	14.31
Prepaid expenses	7.13	8.17
Balances with government authorities	122.71	96.99
Others advances*	9.63	17.15
Total	**152.80**	**136.62**

* Note: Majorly includes advances to Insurance company towards premium

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22. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Shares		
17,50,00,000 equity shares of ₹ 2 each	35.00	35.00
Issued, subscribed and fully paid shares		
4,95,90,125 (as at March 31, 2024 - 4,95,73,400) equity shares of ₹ 2.00 each	9.92	9.91
Less: Calls in arrears [refer note 22 (f)]	*	*
Total	**9.92**	**9.91**

*Numbers are below rounding off

(a) Reconciliation of the number of shares and amount outstanding:

Particulars	Number of shares	Amount
Balance as at March 31, 2023	**4,95,71,170**	**9.91**
Add: Shares issued on exercise of employee stock options during the year	2,230	*
Balance as at March 31, 2024	**4,95,73,400**	**9.91**
Add: Shares issued on exercise of employee stock options during the year	16,725	0.01
Balance as at March 31, 2025	**4,95,90,125**	**9.92**

* Numbers are below rounding off

(b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 2.00 per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company in proportion to the number of and amounts paid on the shares held.

(c) Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48.

(d) Details of shareholders holding more than 5% shares in the Company:

Particulars	No. of fully paid shares	% of total number of shares
As at March 31, 2025		
Mafatlal Impex Private Limited	1,30,36,149	26.30%
Life Insurance Corporation of India	48,64,768	9.81%
As at March 31, 2024		
Mafatlal Impex Private Limited	1,30,36,149	26.30%
Life Insurance Corporation of India	44,48,258	8.97%

(e) Details of shareholders holding of promoter:

Shareholding of promoters as on March 31, 2025

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	3,82,635	0.77	-
Vishad Padmanabh Mafatlal	5,36,349	1.08	(25.00%)
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited **	-	-	-
Mafatlal Impex Private Limited **	1,30,36,149	26.29	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	1,21,275	0.24	-
Total	**1,41,01,724**	**28.43**	

Shareholding of promoters as on March 31, 2024

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	3,82,635	0.77	-
Vishad Padmanabh Mafatlal	7,14,349	1.44	-
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited **	-	-	-
Mafatlal Impex Private Limited **	1,30,36,149	26.30	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	1,21,275	0.24	-
Total	**1,42,79,724**	**28.80**	

*Numbers are below rounding off

** Mafatlal Exim Private Limited amalgamated with Mafatlal Impex Private Limited pursuant to the Scheme of Amalgamation. The effective date of the said acquisition is July 7, 2023 i.e. date of filing of order of Hon. NCLT, Mumbai Bench with the Registrar of Companies, Maharashtra (Mumbai).

(f) Calls unpaid (by other than officers and directors)

Particulars	No. of shares	Amount
As at March 31, 2025		
Equity shares of ₹ 2 each, ₹ 1 called up but unpaid	8,920	*
As at March 31, 2024		
Equity shares of ₹ 2 each, ₹ 1 called up but unpaid	8,920	*

*Numbers are below rounding off

(g) Out of the rights issue made in 2004-05, 109 equity shares could not be offered on rights basis due to the non-availability of details of beneficial holders from depositories. The same are kept in abeyance.

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23. OTHER EQUITY

23A RESERVES AND SUPLUS

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium	33.64	27.27
General Reserve	73.33	73.33
Share Options Outstanding Account	24.35	19.09
Retained Earnings	2,327.06	2,096.65
Total	**2,458.38**	**2,216.34**

(i) **Securities Premium**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	27.27	27.18
Add: Received during the year on shares issued on exercise of employee stock options during the year	6.37	0.09
Closing Balance	**33.64**	**27.27**

(ii) **General Reserve**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	73.33	73.33
Closing Balance	**73.33**	**73.33**

(iii) **Share Options Outstanding Account**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	19.09	17.62
Employee stock option expense (Net)	5.26	1.47
Closing Balance	**24.35**	**19.09**

(iv) **Retained Earnings**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2,096.65	1,901.05
Add: Profit for the year	288.58	270.50
Less:		
Other comprehensive income for the year, net of income tax	1.33	(0.54)
Dividends (including tax)	(59.50)	(74.36)
Reversal of excess provision of Dividend Distribution tax	-	-
Closing Balance	**2,327.06**	**2,096.65**

Description of reserves

Securities premium - The Securities Premium was created on issue of shares at a premium. The reserve is utilised in accordance with the provisions of the Act.

General Reserve - The general reserve comprises of transfer of profits from retained earnings for appropriation purpose. The reserve can be distributed/utilised by the Company in accordance with the provisions of the Act.

Share options outstanding account - The employee stock options outstanding represents reserve in respect of equity settled share options granted to the Group's employees in pursuance of the employee stock option plan.

Retained earnings - This represent the amount of accumulated earnings of the Company.

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23B OTHER RESERVES

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve no.1	80.35	80.35
Capital Reserve no.2	70.35	70.35
Capital redemption reserve	0.34	0.34
Call in arrears/share options pending for allotment	0.01	0.01
Deemed contribution from Parent	-	-
Foreign currency translation reserve	6.88	5.37
Total	**157.93**	**156.42**

(i) **Capital Reserve No.1:**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	80.35	80.35
Closing Balance	**80.35**	**80.35**

(ii) **Capital Reserve no.2**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	70.35	70.35
Closing Balance	**70.35**	**70.35**

(iii) **Capital redemption reserve**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	0.34	0.34
Closing Balance	**0.34**	**0.34**

(iv) **Call in arrears/share options pending for allotment**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	0.01	0.01
Closing Balance	**0.01**	**0.01**

(v) **Foreign currency translation reserve**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	5.37	4.81
Add: Changes in foreign currency translation reserve	1.51	0.56
Closing Balance	**6.88**	**5.37**

Description of reserves

Capital Reserve no. 1 - Capital reserve no. 1 was created for excess of assets over liabilities and reserves taken over pursuant to the scheme of demerger of chemical business of Mafatlal Industries Limited.

Capital Reserve no. 2 -Capital reserve no. 2 was created for compensation received pursuant to the Montreal Protocol for phasing out production of ozone depleting substances.

Capital redemption reserve - Capital redemption reserve was created out of the general reserve during the buy back of equity shares and it is a non-distributable reserves.

Foreign currency translation reserve - Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

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24. BORROWINGS

Particulars	Non- Current	Current	Non- Current	Current
	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024
Secured *				
Term Loan from banks (refer note a)	1,053.44		1,022.86	-
Cash Credit (refer note b)	-	150.81	-	117.01
Working Capital Loan from banks (refer note b)	-	139.16	-	88.95
Current maturities of long term borrowings		97.32		111.12
Total	**1,053.44**	**387.29**	**1,022.86**	**317.08**

* interest accrued on borrowings are included in the respective amounts.

Terms of Borrowings:

a. **Term Loan from banks**

(I) The term Loan carries interest rate of 7.90% - 8.82% (Previous year: 8.23% - 8.86%). Interest rate is derived from 3m Tbill / REPO /MCLR rate plus spread.

(ii) During the year, Company has prepaid/repaid loans of ₹ 894.62 cr. The prepaid amount was financed by availing fresh loans from ICICI Bank and Axis bank. The loan availed is for a term of 8 years, repayable in quarterly instalments. Other loans continue at the agreed terms of moratorium plus 4 years of quarterly repayments.

Particulars	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Repayment schedule*	97.32	443.04	443.69	368.34	1352.39

*** Note: The repayment schedule comprises of borrowing for one project amounting to Rs. 350.00 Crores, out of which only Rs. 148.19 Crores. is disbursed as on**

(iii) The loan is secured by way of:

- First pari passu charge on fixed assets of the Company both present and future.
- Second pari passu charge on current assets of the Company both present and future.
- Unconditional and irrevocable corporate guarantee from Navin Fluorine International Limited (Holding Company).

b. **Cash Credit and Working Capital Loans**

(i) The Cash credit, Working capital loans, Buyers credit and Packing credit in Foreign currency carry interest rate of 5.80% - 9.60% (Previous year: 4.95% - 9.40%). Interest rate is derived from base rate/ Tbill/ MCLR / SOFR / EURIBOR plus spread.

(ii) Cash credit and Working capital loan is repayable on demand

(iii) The loan is secured by way of:

- First pari passu charge on current assets of Navin Fluorine Advanced Sciences Limited both present and future.
- Second pari passu charge on fixed assets of Navin Fluorine Advanced Sciences Limited both present and future, excluding land.
- Unconditional and irrevocable corporate guarantee from Holding Company.

c. **Net debt reconciliation:**

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	19.68	6.64
Liquid Investments	471.80	486.03
Lease Liabilities	(25.66)	(28.52)
Borrowings	(1,440.73)	(1,339.94)
Lease Liabilities	-	-
Total	**(974.91)**	**(875.79)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investments	Lease Liabilities	Borrowings	
Net debt as at 31 March 2023	**14.47**	**32.17**	**(12.15)**	**(848.65)**	**(814.16)**
Cash flows	(7.83)	442.91	6.60	(492.09)	(50.41)
New leases	-	-	(22.97)	-	(22.97)
Interest expense	-	-	(1.70)	(64.47)	(66.17)
Interest paid	-	-	1.70	65.27	66.97
Fair value adjustments	-	10.95			10.95
Net debt as at 31 March 2024	**6.64**	**486.03**	**(28.52)**	**(1,339.94)**	**(875.79)**
Cash flows	13.04	(17.72)	10.20	(101.44)	(95.92)
New leases			(7.34)	0.00	(7.34)
Interest expense			(1.87)	(59.08)	(60.95)
Interest paid			1.87	59.73	61.60
Fair value adjustments		3.49			3.49
Net debt as at 31 March 2025	**19.68**	**471.80**	**(25.66)**	**(1,440.73)**	**(974.91)**

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25. LEASE LIABILITIES (NON CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	13.19	17.30
Total	**13.19**	**17.30**

The total expenses related to short term lease (included in other expenses) was ₹ 0.12 crores (March 31, 2024 ₹ 0.11 crores)

26. PROVISIONS (NON-CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for compensated absences (refer note 46.3)	17.59	18.49
Gratuity Payable (refer note 46.2)	2.83	-
Total	**20.42**	**18.49**

27. DEFERRED TAX LIABILIITES - (NET)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities	141.49	112.94
Less: deferred tax assets	(66.08)	(48.61)
Total Deferred Tax Liabilities (Net)	**75.41**	**64.33**

27.1 Movement of Deferred Tax

(i) **Deferred tax assets/ liabilities in relation to the year ended March 31, 2025**

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Other movements during the year	Closing Balance
Deferred tax liabilities in relation to:				
Property, plant and equipment and intangible assets	101.52	27.26	-	128.78
Right-of-use to assets	5.19	(0.16)	-	5.03
Financial asset measured at FVTPL	3.08	1.39	-	4.47
On undistributed profit	2.83	-	-	2.83
Foreign Currency translation reserve	0.24	-	-	0.24
Others	0.08	0.06	-	0.14
Total deferred tax liabilities	**112.94**	**28.55**	**-**	**141.49**
Deferred tax assets in relation to:				
Indexation benefit on investment properties	19.04	1.39	-	20.43
Fair Valuation of loan to wholly owned subsidiary	(0.72)	-	-	(0.72)
Provision for Compensated Absences	3.89	1.41	-	5.30
Provision for Gratuity	0.06	0.43	(0.03)	0.46
Provision for doubtful debts	1.24	0.91	-	2.15
Preliminary expenses u/s. 35D	0.12	(0.02)	-	0.10
Lease Liabilities	6.02	(0.46)	-	5.56
Others	18.96	13.84	-	32.80
Total deferred tax assets	**48.61**	**17.50**	**(0.03)**	**66.08**
Total deferred tax liabilities/(deferred tax assets) (A - B)	**64.33**	**11.05**	**0.03**	**75.41**

(ii) **Deferred tax assets/ liabilities in relation to the year ended March 31, 2024**

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Other movements during the year	Closing Balance
Deferred tax liabilities in relation to:				
Property, plant and equipment and intangible assets	57.80	43.72	-	101.52
Right-of-use to assets	3.42	1.77	-	5.19
Financial asset measured at FVTPL	1.23	1.85	-	3.08
On undistributed profit	2.84	(0.01)	-	2.83
Foreign Currency translation reserve	0.24	-	-	0.24
Others	(0.05)	0.13	-	0.08
Total deferred tax liabilities	**65.48**	**47.46**	**-**	**112.94**
Deferred tax assets in relation to:				
Indexation benefit on investment properties	17.66	1.38	-	19.04
Fair Valuation of loan to wholly owned subsidiary	(0.73)	0.01	-	(0.72)
Provision for Compensated Absences	2.91	0.98	-	3.89
Provision for Gratuity	0.72	(0.44)	(0.22)	0.06
Provision for doubtful debts	1.11	0.13	-	1.24
Preliminary expenses u/s. 35D	0.23	(0.11)	-	0.12
Lease Liabilities	4.17	1.85	-	6.02
Others	4.67	14.33	(0.04)	18.96
Total deferred tax assets	**30.74**	**18.13**	**(0.26)**	**48.61**
Total deferred tax liabilities/(deferred tax assets) (A - B)	**34.75**	**29.33**	**0.26**	**64.33**

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28. OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Liability against project contracts (refer note 53)	13.35	13.35
Deferred Government Grant	0.09	0.10
Total	**13.44**	**13.45**

29 LEASE LIABILITIES (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	12.47	11.22
Total	**12.47**	**11.22**

The total expenses related to short term lease (included in other expenses) was ₹ 1.36 crores (March 31, 2024 : ₹ 1.26 crores)

30 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	44.68	44.13
Total outstanding dues other than above	281.54	258.37
Trade payables - Related parties (refer note 49.2)	0.74	
Total	**326.96**	**302.50**

The Group participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables / other financial liabilities enabling suppliers to take early payment by selling their receivables from the Company. The Company has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Company therefore discloses such amounts within trade payables / other financial liabilities because the nature and function of the financial liability remains same.

Ageing of Trade Payables:

	As at March 31, 2025						
	Outstanding for following periods from the due date						
Particulars	Unbilled	Not Due	Less than 1 Year	1 - 2 years	2-3 years	More than 3 years	Total
Undisputed trade Payables							
a) Micro enterprises and small enterprises	-	38.15	6.45	0.08	-	-	44.68
b) Others	18.26	251.64	10.99	0.75	0.64	-	282.28
c) credit impaired	-	-	-	-	-	-	-
Total Undisputed Trade Payables	**18.26**	**289.79**	**17.44**	**0.83**	**0.64**	**-**	326.96
Disputed trade Payables	-						
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade Payables	-	-	-	-	-	-	-
Total Trade Payables	**18.26**	**289.79**	**17.44**	**0.83**	**0.64**	**-**	**326.96**

	As at March 31, 2024						
	Outstanding for following periods from the due date						
Particulars	Unbilled	Not Due	Less than 1 Year	1 - 2 years	2-3 years	More than 3 years	Total
Undisputed trade Payables							
a) Micro enterprises and small enterprises	0.19	26.24	17.70	-	-	-	44.13
b) Others	28.21	26.52	197.44	3.87	0.86	1.47	258.37
c) credit impaired	-	-	-	-	-	-	-
Total Undisputed Trade Payables	**28.40**	**52.76**	**215.14**	**3.87**	**0.86**	**1.47**	**302.50**
Disputed trade Payables	-						
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade Payables	-	-	-	-	-	-	-
Total Trade Payables	**28.40**	**52.76**	**215.14**	**3.87**	**0.86**	**1.47**	**302.50**

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31. OTHER FINANCIAL LIABILITES (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Unpaid dividends*	3.90	4.74
Unpaid money on buy-back of shares	-	-
Derivative liability	0.42	0.30
Unclaimed matured debentures and interest accrued	0.35	0.34
Derivative liability - Foreign exchange contract	0.69	0.31
Capital Creditors	80.98	67.40
Security Deposits received	12.64	10.78
Other Payable to Related Parties (Refer note no 49)	0.12	-
Others	0.05	0.05
Total	**99.15**	**83.92**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

31A CONTRACT LIABILITIES - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Advances from customers	26.23	18.66
Total	**26.23**	**18.66**

31B CONTRACT LIABILITIES - NON CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Advances from customers	113.59	71.36
Total	**113.59**	**71.36**

Management expects that 14.67% of the contract liabilities as of March 31, 2025 will be recognised as revenue during the next reporting period (₹ 19.53 crores). The remaining 85.33% (₹ 113.59 crores) will be recognised in the financial year 2026-27 onwards.

32. PROVISIONS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for compensated absences (refer note 46.3)	4.37	5.33
Gratuity Payable (refer note 46.2)	2.09	6.79
Total	**6.46**	**12.12**

33. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Advances from customers (refer note 54)	13.64	12.53
Statutory dues	7.91	10.20
Employee Dues Payable	0.01	-
Deferred Government Grant	5.76	0.02
Payables to Employees	24.83	17.44
Others	0.01	0.07
Total	**52.16**	**40.26**

* Deferred government grant related to duty saved on procurement of capital goods under the Exports Promotion Capital Goods (EPCG) scheme of 5.74 crores (Previous year: Nil). This is being amortised in profit and loss as and when the criteria of meeting export obligation as mentioned in EPCG license is fulfilled. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time.

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34. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products	2,304.95	2,024.70
Sale of services	24.67	23.58
Other operating revenues		
- Scrap Sales/others	4.38	6.22
- Export Incentives	15.38	10.51
Total	**2,349.38**	**2,065.01**

Note:

a) The group is primarily engaged in the business of manufacture and sale of fluorine chemistry products and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.

b) Includes sale of products associated under a dedicated supply contract meeting the criteria of operating lease under Ind AS 116. Estimated operating lease income under Ind AS 116 is ₹. 69.33 Crores (March 31, 2024: ₹ 50.50 Crores).

c) Contract liabilities

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue recognised that was included in the contract liability balance at the beginning of the period	26.23	18.66

d) Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract price	2,368.04	2,024.87
Adjustments for:		
- Contract liabilities	(18.66)	(10.36)
Revenue from operations	**2,349.38**	**2,014.51**

e) Revenue recognised in relation to contract liabilities:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue recognised that was included in the contract liability balance at the beginning of the period	18.66	5.38

35. OTHER INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income		
- on banks deposits	0.43	0.74
- on income tax refund	0.42	17.98
- on loans and advances	1.25	2.52
- others	0.01	-
Dividend income		-
- on investments in Mutual Fund/Shares	0.10	0.03
Lease rental income on investment properties (refer note 6)	13.77	13.17
Other gains and losses		
- Gain on disposal of property, plant and equipment	0.07	-
- Net gain arising on financial assets mandatorily measured at FVTPL	3.49	10.95
- Excess provision/ liabilities written back (net)	-	0.01
- Net gain arising on sale of equity Investments	-	0.95
- Net gain arising on sale of Mutual funds	22.63	4.39
- Net gain on foreign currency transactions	0.30	1.83
- Miscellaneous Income	1.26	3.28
Total	**43.73**	**55.85**

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36. COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw material consumed	1,019.24	869.47
Packing material consumed	28.59	32.81
Total	**1,047.83**	**902.28**
Purchase of stock-in-trade	7.48	9.43
	7.48	**9.43**

37. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the end of the year		
Finished goods	71.43	68.39
Work-in-progress	63.67	48.54
	135.10	116.93
Inventories at the beginning of the year		
Finished goods	68.39	58.29
Work-in-progress	48.54	58.80
Stock-in-trade	-	22.57
	116.93	139.66
	(18.17)	22.73
Add/(Less): Foreign currency translation adjustments	1.48	0.99
Total changes in Inventories of finished goods, work-in-progress and stock in trade	**(16.69)**	**23.72**

38. EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Wages and bonus	250.33	246.66
Contribution to provident and other funds (refer note 46.1 and 46.2)	12.40	12.37
Employee share-based payment expense (refer note 48)	11.51	1.47
Staff Welfare Expenses	13.95	13.49
Compensated absences	3.35	7.02
Gratuity expenses (refer note 46.2)	5.13	4.83
Total	**296.67**	**285.84**

39. FINANCE COSTS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings	59.08	62.47
Interest on lease liabilities	1.87	1.68
Interest on Others	16.98	10.41
Total	**77.93**	**74.56**

40. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 5A)	107.95	86.86
Depreciation on Right-of-use assets (refer note 5B)	9.50	7.63
Depreciation on investment properties (refer note 6)	1.13	1.14
Amortisation of intangible assets (refer note 7)	0.85	0.53
Total	**119.43**	**96.16**

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41. OTHER EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Power and fuel	160.14	149.82
Rent expense (refer note 45)	1.36	1.26
Repairs and Maintenance		
- Plant and Machinery	24.20	17.13
- Buildings	0.72	1.49
Consumption of stores and spares	63.79	59.78
Transport and freight charges (net)	69.00	43.15
Labor contract charges	29.26	27.27
Property maintenance expenses	0.60	0.07
Legal and Professional Charges (refer note 41.1)	15.82	18.15
Rates & Taxes	4.71	5.41
Water charges	6.05	6.01
Insurance	10.40	13.46
Directors Sitting Fees	0.51	0.95
Loss on Sale/ retirement of property, plant & equipment	*	0.89
Net loss (gain) on foreign currency transactions	-	0.70
Provision for doubtful debts	3.65	0.81
Provision for doubtful advances	0.97	-
Expenditure on Corporate Social Responsibility (refer note 41.2)	7.95	7.99
Miscellaneous expenses	81.24	91.12
Total	**480.37**	**445.46**

*Numbers are below rounding off

41.1 Payment to auditors

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditors		
a) Statutory audit	0.62	0.62
b) Other audit services	0.33	0.30
c) Re-imbursement of expenses	0.04	0.02
Total	**0.99**	**0.94**

41.2 Corporate Social Responsibility

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Gross amount required to be spent by the company during the year	7.54	7.85
b) Amount spent during the year on:	7.95	7.99
	In cash	**Yet to be paid in cash**
For the year March 31, 2025		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	7.95	-
For the year March 31, 2024		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	7.99	-

42. Income taxes

Income tax expenses recognised

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
In respect of the current year		
- Current tax recognised in Consolidated Statement of Profit and Loss	80.71	61.7
- Excess provision of tax for earlier years	(0.27)	(26.0
- Deferred tax	11.05	29.3
	91.49	**65.03**
In respect of the current year		
- Current tax recognised in other comprehensive income	0.45	(0.3
	0.45	**(0.31**
Total income tax expense recognised in the current year	**91.94**	**64.72**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	**380.09**	**335.5**
Income tax expense	92.48	81.1
Effect of:		
Adjustments for current tax of pior period	-	(26.0
Expenses that are not deductible in determining taxable profit	2.40	2.8
Tax concessions reversed / (availed)	(0.41)	(0.3
Tax on income at rates different from statuory income tax rate	-	(4.2
Tax rate difference on indexation items	(0.47)	(0.4
Ind AS Adjustments	(2.98)	(2.2
Adjustments pertaining to prior years	(0.01)	12.4
Deductible temporary differences on account of indexation benefits	(0.69)	1.9
Others	1.17	0.0
Income tax expense recognised in Consolidated Statement of Profit and loss	**91.49**	**65.03**

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43. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. Chairman and Managing Director of the Group are the chief operating decision makers. The Group operates only in one Business Segment i.e. 'Chemical Business' which constitutes a single reporting segment.

(i) The Group has two geographical segments based upon location of its customers - within and outside India:

Particulars	As at and for the year ended March 31, 2025			As at and for the year ended March 31, 2024		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenues *	1,005.01	1,344.37	2,349.38	720.50	1,344.51	2,065.01
Carrying cost of non current assets@	3,202.34	8.51	3,210.85	2,779.65	11.78	2,791.43
Addition to non current assets #	531.58	0.03	531.61	761.67	0.07	761.74

* Timing of revenue recongnition is at a point in time.

@ Excluding financial assets.

Other than financial assets and deferred tax

The company is domiciled in India. The amount of its revenue from customers broken down by location of the customers is shown in the table below.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
India	1,005.01	720.50
USA	666.73	597.49
Others	677.64	747.02

(ii) Revenue from customers of the Group which is individually more than 10 percent of the Group's total revenue:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Customer A	498.54	431.07
Customer B	-	227.30

44. EARNING PER SHARE

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit for the year attributable to equity shareholders - (₹ in Crores) - **A**	288.58	270.50
Weighted average number of equity shares outstanding during the year - **B**	4,95,85,958	4,95,72,078
Effect of Dilution :		
Weighted average number of ESOP shares outstanding	52,242	70,239
Weighted average number of Equity shares adjusted for the effect of dilution - **C**	4,96,38,200	4,96,42,317
Basic earnings per share - ₹ (**A/B**)	58.20	54.57
Diluted earnings per share - ₹ (**A/C**)	58.14	54.49
Nominal value per share - ₹	2.00	2.00

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45. Leasing arrangement

The Group has taken office, residential premises and vehicles under operating lease or leave and license agreements. These are generally cancellable in nature and range between 11 months to 60 months. These leave and license agreements are generally renewable or cancelable at the option of the Group or the lessor. The lease payment recognised in the Consolidated Statement of Profit and Loss is ₹ 1.36 Crores (March 31, 2024: ₹ 1.26 Crores). From April 01, 2019 the Group has recognised right of use assets for these leases, except short term leases. Refer note 5B for further information.

46. Employee benefit plans

46.1 Defined Contribution Plan

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year:

Particulars	As at March 31, 2025	As at March 31, 2024
Contribution to Provident Fund	6.87	6.83
Contribution to Family Pension Fund	2.01	2.07
Contribution to NPS	1.93	1.61
Contribution to Superannuation Fund	1.45	1.73
Contribution to Employees' State Insurance Scheme	0.01	0.01
Contribution to Employees' Deposits Linked Insurance Scheme	0.13	0.12
Total	**12.40**	**12.37**

46.2 Defined Benefit Plans

(i) Gratuity (Funded)

The Group sponsors funded defined benefit gratuity plan for all eligible employees of the Group except for certain employees. The Group's defined benefit gratuity plan requires contributions to be made to a separately administered trust. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Group makes provision for gratuity fund based on an actuarial valuation carried out at the end of the year using 'projected unit credit' method.

(a) **The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (gratuity) is as follows:**

Balances of defined benefit plan

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	(39.65)	(38.33)
Fair value of plan assets	34.73	31.54
Net (liability)/asset arising from gratuity	(4.92)	(6.79)

(b) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities:**

Following is the amount recognised in Consolidated Statement of Profit and Loss, other comprehensive income, movement in defined benefit liability (i.e. gratuity) and movement in plan assets:

Particulars	As at March 31, 2025	As at March 31, 2024
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	4.64	4.70
Net interest expenses	0.49	0.24
Total (A)	**5.13**	**4.94**
B. Components of defined benefit costs recognised in other Comprehensive Income		
Remeasurement on the net defined benefit liability:		
- Return on plan assets (excluding amounts included in net interest expense)	0.01	(0.30)
- Actuarial gains and losses arising from changes in demographic assumptions	-	(1.34)
- Actuarial gains and losses arising from changes in financial assumptions	1.04	0.24
- Actuarial gains and losses arising from experience adjustments	(2.88)	2.24
Total (B)	**(1.83)**	**0.84**
C. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	38.33	33.54
Current service cost	4.64	4.70
Interest cost	2.72	2.41
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	-	(1.34)
- Actuarial gains and losses arising from changes in financial assumptions	1.04	0.24
- Actuarial gains and losses arising from experience adjustments	(2.89)	2.25
Benefits paid	(4.19)	(3.46)
Closing defined benefit obligation (C)	**39.65**	**38.33**
D. Movements in the fair value of the plan assets		
Opening fair value of plan assets	31.54	30.22
Interest income	2.23	2.17
Remeasurement gain/(loss):		
- Return on plan assets (excluding interest income)	(0.01)	0.30
Contributions by employer	5.16	2.31
Benefits paid	(4.19)	(3.46)
Closing fair value of plan assets (D)	**34.73**	**31.54**

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(c) **Principal assumptions**

The principal assumptions used for the purposes of the actuarial valuations of gratuity liability were as follows.

Particulars	As at March 31, 2025	As at March 31, 2024
1. Discount rate	6.59% - 7.17%	7.17%
2. Salary escalation	10%	10%
3. Mortality rate	Indian Assured Lives Mortality 2012 - 14 (Urban)	Indian Assured Lives Mortality 2012 - 14 (Urban)
4. Attrition rate	15%	15%

(d) The expected contribution to the plan for the next financial year is ₹ 4.57 Crores (Previous Year: ₹ 4.81 Crores)

(e) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particular	As at March 31, 2025	As at March 31, 2024
Central Government of India	39.98%	38.76%
State Government Securities	0.00%	0.00%
Special Deposits Scheme	6.91%	8.03%
Debt Instruments/Corp Bonds	53.10%	53.21%

(f) The weighted average duration of the defined benefit obligation is 7 years (March 31, 2024: 7 years). The expected maturity analysis of gratuity is as follows:

Particulars	Within 1 year	1-5 years	Above 5 years
As at March 31, 2025	6.22	19.83	31.57
As at March 31, 2024	7.61	19.72	28.88

(g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase and attrition rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while all other assumptions constant. Following is the impact of changes in assumption in defined benefit obligation of gratuity:

Increase/ (decrease) in assumptions	As at March 31, 2025	As at March 31, 2024
Impact of discount rate for 50 basis points increase	(0.89)	(0.80)
Impact of discount rate for 50 basis points decrease	0.94	0.84
Impact of salary escalation rate for 50 basis points increase	0.90	0.81
Impact of salary escalation rate for 50 basis points decrease	(0.87)	(0.78)
Impact of attrition rate for 50 basis points increase	(0.25)	(0.21)
Impact of attrition rate for 50 basis points decrease	0.26	0.21

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

(ii) Provident fund (funded)

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund for all employees, are charged to the Consolidated Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Group. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

(a) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (trust managed provident fund) is as follows:

Balances of defined benefit plan

Particular	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	(74.60)	(67.14)
Fair value of plan assets	75.88	68.01
Net Assets/(Liabilities)*	-	-

* Excess of fair value of plan assets over present value of funded defined benefit obligation has not been recognised.

(b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in Consolidated Statement of Profit and Loss, movement in defined benefit liability (i.e. provident fund) and movement in plan assets:

Particulars	As at March 31, 2025	As at March 31, 2024
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	4.08	4.15
Expected Return on plan assets	(5.51)	(4.65)
Net interest expenses	5.51	4.65
Total (A)	**4.08**	**4.15**
B. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	67.14	54.33
Opening balance adjustment	0.18	0.03
Current service cost	4.08	4.15
Interest cost	5.51	4.65
Employee Contribution	5.95	6.27
Liabilities assumed for employee transferred from other entity	1.20	3.18
Benefits paid	(9.45)	(5.47)
Closing defined benefit obligation (B)	**74.61**	**67.14**
C. Movements in the fair value of the plan assets		
Opening fair value of plan assets	68.01	55.76
Remeasurement gain/(loss):	0.59	(0.54)
Expected Return on plan assets	5.51	4.65
Contributions	10.03	10.42
Asset transferred in for employee transferred from other entity	1.20	3.18
Benefits paid	(9.45)	(5.47)
Closing fair value of plan assets (C)	**75.89**	**68.01**

(c) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particular	As at March 31, 2025	As at March 31, 2024
Central Government of India	11.76%	13.20%
State Government Securities	36.11%	33.33%
Special Deposits Scheme	15.23%	16.42%
Public Sector Units	31.94%	31.08%
Others	4.97%	5.97%

(iii) Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2025. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

46.3 Other Long term Employee Benefits:

The liability for Compensated absences as determined by Independent actuary as at the balance sheet date is ₹ 21.96 Crores (March 31, 2024: ₹ 23.82 Crores).





47. Financial Instruments and Risk Review

47.1 Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return to shareholders the capital or issue new shares or take such appropriate action as may be needed. The Group considers total equity reported in the financial statements to be managed as part of capital.

The Group has Net Debt (Net debt includes, interest bearing loans and borrowings less cash and cash equivalents) as mentioned below:

Particulars	As at March 31, 2025	As at March 31, 2024
Net Debt	974.91	875.79
Total equity	2,626.23	2,382.67
Net debt to equity ratio	37.12%	36.76%

The net debt to equity ratio for the current year reduced by 0.38% to 37.14% as a result of term loan taken from banks.

Loan covenants

The below financial covenants shall be tested by bank on annual basis starting from F.Y. 2024-25 onwards, based on audited financial statements of the Group:
a) **Debt service Coverage ratio (Group)**: not below 1.30 times
b) **Current ratio (Group)**: not below 1.30 times
C) **Fixed Asset Coverage Ratio (NFASL)**: Not below 1.50 times
d) **Total Net Debt / EBITDA (Group)**: Not to exceed 3 times

47.2 Fair value measurements

(I) **Categories of financial instruments**

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Measured at Amortised Cost		
- Cash and Bank Balances	40.52	27.54
- Investments	1.85	1.85
- Trade receivables	582.42	512.51
- Loans	0.27	0.86
- Other financial assets	39.34	41.42
Measured at fair value through profit and loss (FVTPL)		
- Equity instruments	5.65	6.10
- Investments in mutual funds / Other funds	471.70	486.13
- Derivative assets	1.84	0.14
Financial liabilities		
Measured at Amortised Cost		
- Borrowing	1,440.73	1,339.94
- Lease liabilities	25.66	28.52
- Trade payable	326.96	302.50
- Other financial liabilities	98.04	83.31
Measured at fair value through profit and loss (FVTPL)		
- Derivative liability	1.11	0.61

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(ii) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
As at March 31, 2025				
Financial assets				
- Investments in equity instruments	1.92	-	3.73	5.65
- Investments in mutual funds/other funds	468.03	3.67	-	471.70
- Derivative assets	-	1.84	-	1.84
Financial liabilities				
- Derivative liability	-	1.11	-	1.11
As at March 31, 2024				
Financial assets				
- Investments in equity instruments	2.74	-	3.36	6.10
- Investments in mutual funds/other funds	481.44	4.69	-	486.13
- Derivative assets	-	0.14	-	0.14
Financial liabilities				
- Derivative liability	-	0.61	-	0.61

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3.

(iii) **Valuation technique used to determine fair value**

1. The fair value of the unquoted investments is determined using quoted bid prices in an active market.

2. The fair value of the unquoted investments is determined using the inputs other than quoted prices included in level 1 that are observable for assets and liabilities.

3. Group has made investments in 'Ask Real Estate Special Situation Fund'. The Fund invests primarily in special purpose vehicles and companies of special purpose vehicles that undertake residential and mixed use real estate developments with a significant residential component. The Valuation methodology used shall depend on the type of property and market conditions and stage of development reached in the invested project. The suitability of a particular method of valuation is decided based on the below criteria:

- For undeveloped properties: Sales/Market Comparison Method benchmarked by Discounted Cash Flow Method
- For semi developed properties / properties under development: Weighted average of Discounted Cash Flow Method and Replacement Cost Method
- For completed properties, leased property or ready for sale properties: Capitalization of Rental Method or Market Comparison Method

(iv) **Fair value of Financial assets and liabilities measured at amortised cost**

The carrying amounts of cash and cash equivalents, trade receivables, receivables from related parties and trade payables are considered to be the same as their fair values due to their short-term nature. Fair value of security deposits approximates the carrying value.

47.3 Financial risk management objectives

The Group's activities exposes it to a variety of financial risks including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of financial risks on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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47.4 Market Risks

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and other price risk. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

a. Foreign exchange risk

i) Exposure to foreign exchange risk:
The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency of the entity in the Group. The risk also includes highly probable foreign currency cash flows.
The Group has exposure arising out of export, import and other transactions other than functional risks. The Group hedges its foreign exchange risk using foreign exchange forward contracts. The same is within the guidelines laid down by Risk Management Policy of the Group.

ii) Foreign exchange risk management:
To manage the foreign exchange risk arising from recognized assets and liabilities, Group use spot transactions, foreign exchange forward contracts, according to the Group's foreign exchange risk policy. Group's treasury is responsible for managing the net position in each foreign currency and for putting in place the appropriate hedging actions. The Group's foreign exchange risk management policy is to selectively hedge net transaction exposures in major foreign currencies.

The carrying amounts of the Group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	As at March 31, 2025 (₹ in Crores)		As at March 31, 2024 (₹ in Crores)	
Particulars	**(₹ in Crores)**	**(Foreign Currency in Crores)**	**(₹ in Crores)**	**(Foreign Currency in Crores)**
Amount receivable				
USD	241.97	2.83	196.19	2.35
GBP	27.55	0.30	-	*
EURO	0.08	*	-	-
Amount payable				
USD	36.66	0.43	8.94	0.10
GBP	-	-	0.29	-

*Numbers are below rounding off

iii) Foreign exchange risk sensitivity:

3% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 3% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analyze of change in profit where the Indian Rupee strengthens and weakens by 3% against the relevant currency:

Foreign currency	**For year ended March 31, 2025**		**For year ended March 31, 2024**	
USD	6.16	(6.16)	5.62	(5.62)
GBP	0.83	(0.83)	(0.01)	0.01
EURO	0.00	(0.00)	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

*Numbers are below rounding off

(iv) Forward foreign exchange contracts

The following table contains the details of forward foreign currency contracts outstanding at the end of the reporting period:

Currency	**Exposure to buy / sell**	**As at the year end**	
		₹ in Crores	**Foreign Currency in Crores**
US Dollars			
March 31, 2025	sell	223.72	2.63
March 31, 2024	sell	137.81	1.65
EURO			
March 31, 2025	sell	13.52	0.15
March 31, 2024	sell	8.99	0.10
GBP			
March 31, 2025	sell	-	-
March 31, 2024	sell	-	-
US Dollars			
March 31, 2025	buy	82.63	0.97
March 31, 2024	buy	115.42	1.39
EURO			
March 31, 2025	buy	-	-
March 31, 2024	buy	6.38	0.06

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b. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The group is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The group monitors fluctuations in interest rate continuously to minimise impact of interest rate risk.

(i) Exposure to interest rate risk related to borrowings with floating rate of interest.

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings bearing floating rate of interest	1,440.73	1,339.94

(ii) Interest rate sensitivity:

A change of 50 bps in interest rates would have following impact on profit before tax:

Particulars	As at March 31, 2025	As at March 31, 2024
50 bp increase- decrease in profits *	7.20	6.70
50 bp decrease- Increase in profits *	(7.20)	(6.70)

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

c. Other price risks

The Group is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.
In order to manage its price risk arising from investments in equity instruments, the Group maintains its portfolio in accordance with the framework set by the Investment policy. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Management Committee.

Price Risk Sensitivity Analysis:

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Group has calculated the impact as follows:
For equity instruments, a 10% increase in equity prices would have led to approximately an additional ₹ 0.19 Crores gain in statement if profit and loss (March 31, 2024: ₹ 0.27 Crores). A 10% decrease in equity prices would have led to an equal but opposite effect.

47.6 Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

i) **Liquidity risk tables**

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2025 and March 31, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

ii) **Maturities of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Carrying amount	Less than 1 year	More than 1 year	Total
As at March 31, 2025				-
– Borrowing	1,440.73	387.29	1,053.44	1,440.73
– Trade payable	326.96	326.96	-	326.96
– Lease liabilities	25.66	12.47	13.19	25.66
– Other financial liabilities (other than derivative liabilities)	98.04	98.04	-	98.04
– Derivative liabilities	1.11	1.11	-	1.11
As at March 31, 2024				
– Borrowing	1,339.94	317.08	1,022.86	1,339.94
– Trade payable	302.50	302.50	-	302.50
– Lease liabilities	28.52	11.22	17.30	28.52
– Other financial liabilities (other than derivative liabilities)	83.31	83.31	-	83.31
– Derivative liabilities	0.61	0.61	-	0.61

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47.5 Credit risk

(I) Exposures to credit risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. The credit risk arises from its operating activities (i.e. primarily trade receivables), from its investing activities including deposits with banks and financial institutions and other financial instruments.

(II) Credit risk management

1) Trade receivable

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 582.42 Crores (March 31, 2024: ₹ 512.51 Crores).

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the group customers' financial condition; ageing of trade accounts receivable and the Group's historical loss experience.

Trade receivables are written off when there is no reasonable expectation of recovery. The allowance for lifetime expected credit loss on customer balances as at March 31, 2024 was- ₹ 8.68 crores (March 31, 2024 - ₹ 5.03 crores).

Loss allowance as at March 31, 2025 was determined as follows for trade receivables under the simplified approach

As at 31 March 2025	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount - trade receivables	541.72	27.55	11.36	1.21	0.55	2.74	5.97	591.10
Expected loss rate in %	(0.12%)	(1.05%)	(2.38%)	(9.09%)	(9.09%)	(50.73%)	(99.33%)	
Expected credit losses- trade receivables	(0.64)	(0.29)	(0.27)	(0.11)	(0.05)	(1.39)	(5.93)	(8.68)
Carrying amount of trade receivables (net of impairment)	541.08	27.26	11.09	1.10	0.50	1.35	0.04	582.42

Loss allowance as at 31 March 2024 was determined as follows for trade receivables under the simplified approach

As at 31 March 2024	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount - trade receivables	453.24	43.23	4.86	0.36	6.36	0.71	8.78	517.54
Expected loss rate	(0.01%)	(0.09%)	(0.21%)	(0.00%)	(2.99%)	(1.41%)	(53.99%)	
Expected credit losses- trade receivables	(0.04)	(0.04)	(0.01)	-	(0.19)	(0.01)	(4.74)	(5.03)
Carrying amount of trade receivables (net of impairment)	453.20	43.19	4.85	0.36	6.17	0.70	4.04	512.51

Movement in the credit loss allowance

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning	5.03	4.22
Movement in expected credit loss allowance on trade receivable calculated at lifetime expected credit losses	3.65	0.81
Balance at the end	8.68	5.03

2) Cash and Cash Equivalent

Credit risk on cash and cash equivalents is limited as group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

3) Investment in Mutual Funds

Credit risk on investments in mutual fund is limited as group invested in mutual funds issued by the financial institutions with high credit ratings assigned by credit rating agencies.

48 Share based payments

Details of the employee share based plan of the Company

Employee stock option scheme 2007 ("ESOS 2007") - The Shareholders of the Company at their Annual General Meeting held on July 20, 2007 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹ 2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2007, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2007 shall be capable of being exercisable on vesting within 10 years from grant date.

Employee stock option scheme 2017 ("ESOS 2017") - The Shareholders of the Company at their Annual General Meeting held on June 29, 2017 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company and its subsidiary companies to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹ 2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2017, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2017 shall be capable of being exercisable on vesting within 10 years from grant date.

(i) The following share-based payment arrangements were in existence during the current and prior years under the scheme:

Scheme	Grant date	Number of Stock Options Granted	Vesting period	Exercise Price (₹)
ESOS 2007	July 28, 2007	1,11,000*	4 Years	74.84
	July 28, 2007	40,000*	4 Years	81.49
	April 28, 2014	4,33,500*	2 Years	78.00
	June 29, 2015	1,50,115*	2 Years	194.80
	October 24, 2016	56,075*	2 Years	554.40
ESOS 2017	March 19, 2018	58,830	2 Years	780.00
	May 09, 2018	725	2 Years	770.35
	January 07, 2019	14,315	2 Years	698.45
	October 19, 2022	1,55,000	In 4 equal tranches on October 31, 2023, April 01, 2024, April 01, 2025 and April 01, 2026	2.00
	February 05, 2024	1,87,500	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,326.00
	February 06, 2024	40,000	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,236.00
	October 23, 2024	50,000	In 2 equal tranches on October 31, 2025 and October 31, 2026	3,221.00

*Adjusted to corporate actions of sub-division of shares in the ratio of 5 Equity Shares of ₹ 2.00 each for every 1 Equity Share of ₹ 10.00 each.

(ii) The following reconciles the Stock Options outstanding at the beginning and end of the period:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of stock option	Weighted average exercise price (₹)	Number of stock option	Weighted average exercise price (₹)
Balance at beginning of year				
ESOS 2007	1,825	554.35	3,415	410.67
ESOS 2017	2,88,210	2,642.24	1,66,350	55.08
Granted during the year				
ESOS 2007	-	-	-	-
ESOS 2017	50,000	3,221.00	2,27,500	3,310.18
Exercised during the year				
ESOS 2007	125	554.40	1,590	245.69
ESOS 2017	16,600	76.99	640	780.00
Expired during the year				
ESOS 2007	-	-	-	-
ESOS 2017	85,000	2,739.41	1,05,000	2.00
Balance at the end year				
ESOS 2007	1,700	554.40	1,825	554.35
ESOS 2017	2,36,610	2,909.60	2,88,210	2,642.24

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2025 ₹ 3,389.00 (March 31, 2024 : ₹ 3,744.00).

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(iii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price (₹)	Share options March 31, 2025	Share options March 31, 2024
July 28, 2007	July 27, 2017	81.49	-	-
April 28, 2014	April 27, 2024	78.00	-	-
June 29, 2015	June 28, 2025	194.80	-	-
October 24, 2016	October 23, 2026	554.40	1,700	1,825
March 19, 2018	March 18, 2028	780.00	9,110	10,710
May 09, 2018	May 08, 2028	770.35	-	-
January 07, 2019	January 06, 2029	698.45	-	-
October 19, 2022	October 18, 2032	2.00	20,000	50,000
February 05, 2024	February 04, 2034	3,326.00	1,17,500	1,87,500
February 06, 2024	February 05, 2034	3,236.00	40,000	40,000
October 23, 2024	October 22, 2034	3,221.00	50,000	-

(iv) The weighted average fair value of the options granted on October 23, 2024 is ₹1,199.77, (February 05, 2024 and February 06, 2024 is ₹1,168.58 and ₹1,152.29 respectively). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2025 included:

Grant Date	October 23, 2024	
	Vest 1	Vest 2
Vesting date	October 31, 2025	October 31, 2026
Volatility	33.76%	34.49%
Risk-Free rate of return	6.63%	6.65%
Exercise Price	3221.00	3221.00
Expected Life (Time to Maturity)	4.00	4.50
Dividend yield	0.30%	0.30%

The model inputs for options granted during the year ended March 31, 2024 included:

Grant Date	February 05, 2024		February 06, 2024	
	Vest 1	Vest 2	Vest 1	Vest 2
Vesting date	February 28, 2025	February 28, 2026	February 28, 2025	February 28, 2026
Volatility	35.02%	36.53%	35.02%	36.53%
Risk-Free rate of return	6.96%	6.97%	6.93%	6.95%
Exercise Price	3,326.00	3,326.00	3,236.00	3,236.00
Expected Life (Time to Maturity)	3.50	4.00	3.50	4.00
Dividend yield	0.33%	0.33%	0.33%	0.33%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Expenses arising from employee share based payment transaction recognised in the Statement of Profit and Loss as part of employee benefit expense for the year ended March 31, 2025 is ₹ 11.51 crores (March 31, 2024: ₹ 1.47 crores). Also refer note 34.





49 Related party transactions

Following are the name and relationship of related parties with whom Company have transactions/ balances:

a. Enterprises over which key management personnel and their relatives are able to exercise significant influence / control
Arvind Mafatlal Foundation Trust **
Sri Sadguru Seva Sangh Trust
Vigil Juris
Veritas Legal (w.e.f. May 07, 2024)
OC Specialities Private Limited (w.e.f. June 24, 2024)

b. Entity over which Company has joint control (i.e. joint venture)
Swarnim Gujarat Fluorspar Private Limited, India

c. Key Management personnel
Mr. Vishad P. Mafatlal - Chairman
Mr. Nitin G. Kulkarni - Managing Director (w.e.f. June 24, 2024)
Mr. Radhesh Welling - Managing Director (upto December 15, 2023)
Mr. Mohan M. Nambiar - Non-Independent Non-Executive Director (upto August 01, 2024)
Mr. Pradip N. Kapadia - Independent Non-Executive Director (upto June 24, 2024)
Mr. Sunil S. Lalbhai - Independent Non-Executive Director
Mr. Sudhir G. Mankad - Independent Non-Executive Director (upto June 24, 2024)
Mr. Harish H. Engineer - Independent Non-Executive Director (upto June 24, 2024)
Mr. Atul K. Srivastava - Independent Non-Executive Director
Mrs. Radhika V. Haribhakti - Independent Non- Executive Director (upto July 29, 2024)
Mr. Ashok U. Sinha - Independent Non- Executive Director
Mr. Sujal A. Shah - Independent Non- Executive Director
Mrs. Apurva S. Purohit - Independent Non- Executive Director
Mr. Sudhir R. Deo - Non-Independent Non- Executive Director
Mr. Abhijit J. Joshi - Independent Non- Executive Director (w.e.f. May 07, 2024)

49.1 Disclosures in respect of significant transactions with related parties during the year:

Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Sales		
OC Specialities Pvt. Ltd.	2.31	-
Purchases		
OC Specialities Pvt. Ltd.	0.62	-
Legal / Professional fees paid		
Vigil Juris	0.09	0.02
Veritas Legal	0.13	-
Donation		
Sri Sadguru Seva Sangh Trust	2.00	2.00
Arvind Mafatlal Foundation Trust	-	1.00
Managerial remuneration (Short Term Employee Benefit)#	**16.68**	**13.42**
Director Sitting fees and Commission*	**3.25**	**3.34**

Excludes provision for gratuity and compensated absences which are determined based on an actuarial valuation done on overall basis for the company and accordingly individual figure are not available. Also Remuneration in the form of ESOPs are included only upon vesting.

* Commission payable to Independent / Non-Independent, Non-executive directors of ₹ 2.74 crores for the year ended March 31, 2025 is subject to approval of shareholders.

** Numbers are below rounding off

49.2 Disclosures of closing balances:

Transactions	As at March 31, 2025	As at March 31, 2024
Amounts due to		
OC Specialities Pvt. Ltd.	0.74	-
Veritas Legal	0.12	-
Amount due to Directors		
Mr. Vishad P. Mafatlal	5.11	3.71
Mr. Nitin G. Kulkarni	2.84	
Mr. Radhesh R. Welling	-	0.47
Mr. Mohan M. Nambiar	0.09	0.28
Mr. Pradip N. Kapadia	0.22	0.22
Mr. Sunil S. Lalbhai	0.28	0.22
Mr. Sudhir G. Mankad	0.07	0.22
Mr. Harish H. Engineer	0.07	0.22
Mr. Atul K. Srivastava	0.43	0.34
Mrs. Radhika V. Haribhakti	0.09	0.22
Mr. Ashok U. Sinha	0.28	0.22
Mr. Sujal A. Shah	0.43	0.34
Mrs. Apurva S. Purohit	0.28	0.22
Mr. Sudhir R. Deo	0.28	0.22
Mr. Abhijit Jagdish Joshi	0.25	-
Amounts due from		
OC Specialities Pvt. Ltd.	2.16	-

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50. CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
i. Capital commitments for Property, Plant and Equipment:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	238.01	203.42

51. CONTINGENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Group not acknowledged as debts		
a. Income tax matters - Matters decided against the group in respect of which the group has preferred an appeal.	5.46	4.64
b. Excise duty matters	4.23	4.23
c. Sales-tax matters	0.88	0.88
d. Employee related matters	0.82	0.82
e. Goods and Service tax matters	0.83	0.83
f. Other Corporate guarantee / Bank guarantees	0.15	0.15

Note : It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

52. RESEARCH AND DEVELOPMENT EXPENDITURE

The details of research and development expenditure of ₹ 54.69 Crores (as at March 31, 2024 ₹ 125.04 Crores) included in the figures reported under notes 5A, 7 and 32 to 37 are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Expenditure	4.82	80.10
Revenue Expenditure	49.87	44.94
Total	**54.69**	**125.04**
The details of revenue expenditure incurred on research and development are as under :		
Salaries / Wages	21.62	22.06
Material / Consumable / Spares	6.15	7.07
Utilities	3.84	3.26
Other expenditure	6.19	4.72
Depreciation	12.07	7.83
	49.87	**44.94**

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53. Mafatlal Industries Limited was executing a project in Iraq when hostilities broke out between Iraq and Kuwait in 1990-91, resulting in suspension of project work. In view of the post war sanctions imposed by the United Nations and the Government of India, suspended operations could not be resumed. The customer's bankers have asked for extension of bank guarantees for advance payment and performance and the State Bank of India (SBI), in turn, had claimed that the funds deposited with them in respect of the aforesaid project are subject to lien which was subsequently released on alternate arrangements. In view of the continuing uncertain circumstances, the receipts and payments under the contracts, transferred to the Group pursuant to the sanctioned scheme of Mafatlal Industries Limited, continue to be carried forward and necessary adjustments would be made on the status of the project becoming clearer. (Refer note 13 and note 28)

54. Before transfer of assets to Sulakshana Securities Limited (SSL) by Mafatlal Industries Limited (MIL) pursuant to its sanctioned scheme of rehabilitation, MIL had initiated steps for revision in rent/recovery of expenses and filed legal proceedings for eviction of some of its tenants/ (now) ex-tenants who were occupying at that time some of the premises in its building at Nariman Point, Mumbai. Pending resolution of those legal cases, rent of ₹ Nil, previous year, ₹ Nil, (aggregate to date, ₹ 0.66 crores, as at March 31, 2024, ₹ 0.66 crores) and recovery of expenses, of ₹ Nil, previous year, ₹ Nil (aggregate to date, ₹ 0.42 crores, as at March 31, 2024 ₹ 0.42 crores), have not been accounted, on legal advice. The ex-tenants have filed Civil Revision Application and secured a stay from the Hon'ble Bombay High Court in April 2013 against the Order of the appeal bench of Hon'ble Small Causes Court awarding an increased amount to SSL. During the year 2014-15, pursuant to the directions of the Hon'ble Bombay High Court and the Undertakings provided by SSL, SSL received ₹ 6.56 crores deposited by the ex- tenants, which is subject to final disposal of the matter. SSL is liable to refund the amount if the final decision goes against it. Pending final decision on the matter, the aforesaid amount has been kept in Term deposit account and the interest thereon is not considered as an Income.

54 A <u>Exceptional Item include:</u>

Exceptional item for the year ended March 31, 2025 : Nil (March 31, 2024 : ₹ 52.13 crore) comprises gain on account of sale of surplus unused colony land situated at Surat (Gujarat).





55. Interests in other entities

a. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2025	As at March 31, 2024
Sulakshana Securities Limited - SSL	Lease rental of investment property	India	100%	100%
Navin Fluorine Advanced Sciences Limited - NFASL	Chemical Business	India	100%	100%
Manchester Organics Limited - MOL	Chemical Business	U.K	100%	100%
Navin Fluorine (Shanghai) Co. Ltd	Chemical Business	China	100%	100%
NFIL (UK) Limited	Chemical Business	U.K	100%	100%
NFIL (USA) Inc - Step down subsidiary	Chemical Business	USA	100%	100%

b. Interest in Joint Venture

Aggregate information of Joint Ventures that are not individually material:

Particulars	As at March 31, 2025	As at March 31, 2024
The Group's share of loss from operations	(0.02)	(0.01)
The Group's share of other comprehensive income	-	-
The Group's share of loss in total comprehensive loss	(0.02)	(0.01)

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate carrying amount of the Group's interests in the Joint Ventures	0.72	0.74

There is no change in the group's ownership interest in Joint Ventures. There are no significant restrictions on the ability of Joint Ventures to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

c. Additional disclosures required by Schedule III

Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2025:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
Parent								
Navin Fluorine International Limited	95.09%	2,497.38	83.83%	241.93	53.15%	1.52	83.53%	243.45
Subsidiaries								
Indian								
Sulakshana Securities Limited	0.72%	18.83	1.32%	3.80	0.00%	-	1.30%	3.80
Navin Fluorine Advanced Sciences Limited	28.28%	742.64	17.30%	49.93	(5.94%)	(0.17)	17.07%	49.76
Foreign								
Manchester Organics Limited	1.04%	27.25	0.26%	0.76	-	-	0.26%	0.76
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.22	0.01%	0.03	-	-	0.01%	0.03
NFIL (UK) Limited	2.32%	60.98	(0.01%)	(0.03)	-	-	(0.01%)	(0.03)
NFIL (USA) Inc	0.11%	2.98	0.28%	0.82	-	-	0.28%	0.82
Joint Ventures (as per equity method)								
Indian								
Swarnim Gujarat Fluorspar Private Limited	0.03%	0.72	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
Sub Total	**127.60%**	**3,351.00**	**102.98%**	**297.22**	**47.21%**	**1.35**	**102.43%**	**298.57**
Consolidation adjustments	(27.60%)	(724.77)	(2.98%)	(8.64)	52.79%	1.51	(2.43%)	(7.13)
March 31, 2025	**100.00%**	**2,626.23**	**100.00%**	288.58	**100.00%**	2.86	**100.00%**	**291.44**

Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2024:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of Consolidated profit or loss	Amount (₹ in crores)	As % of consolidated other comprehensive income	Amount (₹ in crores)	As % of consolidated comprehensive income	Amount (₹ in crores)
Navin Fluorine International Limited	96.61%	2,301.79	86.94%	235.18	(7900.00%)	(1.58)	86.35%	233.60
Subsidiaries								
Indian								
Sulakshana Securities Limited	0.82%	19.53	1.80%	4.87	0.00%	-	1.80%	4.87
Navin Fluorine Advanced Sciences Limited	29.08%	692.88	12.65%	34.21	5200.00%	1.04	13.03%	35.25
Foreign								
Manchester Organics Limited	1.05%	25.14	(0.23%)	(0.61)	-	-	(0.23%)	(0.61)
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.19	0.01%	0.03	-	-	0.01%	0.03
NFIL (UK) Limited	2.56%	60.90	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
NFIL (USA) Inc	0.09%	2.10	0.20%	0.55	-	-	0.20%	0.55
Joint Ventures (as per equity method)								
Indian								
Swarnim Gujarat Fluorspar Private Limited	0.03%	0.74	0.00%	(0.01)	-	-	0.00%	(0.01)
Sub Total	**130.25%**	**3,103.27**	**101.36%**	**274.20**	**(2700.00%)**	**(0.54)**	**101.15%**	**273.66**
Consolidation adjustments	(30.25%)	(720.60)	(1.36%)	(3.70)	(2800.00%)	0.56	(1.15%)	(3.14)
March 31, 2024	**100.00%**	**2,382.67**	**100.00%**	270.50	**100.00%**	0.02	**100.00%**	**270.52**

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56. The Board of Directors has recommended final dividend of ₹ 7/- per share on the face value of ₹ 2.00 each (350%), subject to approval by the Members at the forthcoming Annual General Meeting of the Company.

57. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i. **Details of benami property held**
No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii **Borrowing secured against current assets**
The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

iii **Wilful defaulter**
None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv **Relationship with struck off companies**
The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956

v **Compliance with number of layers of companies**
The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vi **Compliance with approved scheme(s) of arrangements**
The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii **Utilisation of borrowed funds and share premium**
The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii **Undisclosed Income**
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the

ix **Details of crypto currency or virtual currency**
The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

x **Valuation of PP&E, intangible asset and investment property**
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

xi **Title deeds of immovable properties not held in name of the company**
The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes 5A and 6 to the financial statements, are held in the name of the Group.

xii **Registration of charges or satisfaction with Registrar of Companies**
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

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58. Summary of other accounting policies:

This note provides a list of other accounting policies adopted in the preparation of these Consolidated financial statements to the extent they have not already been disclosed in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation:

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which consists of Chairman and Managing Director. The CODM assess the financial performance and position of the Company and makes strategic decisions. See Note 43 for segment information presented.

c) Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Consolidated Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Consolidated Statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

d) Leases

Group's material accounting policies about Leases as a lessee are explained in Note 2(d).

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

e) Property, Plant and Equipment

Company's material accounting policies about Property, Plant and Equipment are explained in Note 2(h).

All other repairs and maintenance expenses (Subsequent costs) of which it is not probable that future economic benefits associated with the item will flow to the group are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

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f) Intangible assets

Company's material accounting policies about intangible assets are explained in Note 2(i).

Computer software

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

They are amortised over a period of 3 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

g) Investment Properties

Company's material accounting policies about Investment Properties are explained in Note 2(j).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

h) Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset/cash generating unit exceeds its recoverable amount. The recoverable amount of the assets/ cash generating unit is fair value less costs of disposal or value in use, whichever is higher.

i) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of each entities of the Group are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian Rupees ('₹'), which is the functional and presentation currency of the Company.





(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

(iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

A. assets and liabilities are translated at the closing rate at the date of that Balance Sheet.

B. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction).

C. all resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Consolidated Statement of Profit and Loss, as part of the gains / (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

j) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

k) Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant & equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

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As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282

Mumbai
Date : May 09, 2025

For and on behalf of the Board of Directors

Vishad P. Mafatlal
Chairman
DIN: 00011350

Nitin G. Kulkarni
Managing Director
DIN:03042587

Niraj B. Mankad
Company Secretary

Anish P. Ganatra
Chief Financial Officer

Mumbai
Date : May 09, 2025

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of companies (Accounts) Rules,2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A" subsidiaries

Sr. No.	Name of the Subsidiary Company	Reporting period for the subsidiary	% of share	Reporting currency and Exchange rate	Share capital	Other Equity	Total assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Dividend
1	Sulakshana Securities Limited	April 01, 2024 - March 31, 2025	100%	INR	0.15	18.68	35.17	16.34	3.10	0.00	4.82	1.02	3.80	-
2	Manchester Organics Limited	April 01, 2024 - March 31, 2025	*100%	GBP 1 GBP = INR 110.7025	0.00	27.34	37.91	10.57	-	19.48	0.78	(0.05)	0.84	-
3	NFIL (UK) Limited	April 01, 2024 - March 31, 2025	100%	GBP 1 GBP = INR 110.7025	71.40	1.39	72.83	0.03	70.93	0.00	(0.03)	0.00	(0.03)	-
4	NFIL (USA) Inc	April 01, 2024 - March 31, 2025	**100%	USD 1 USD = INR 85.4750	0.85	2.12	3.09	0.11	-	10.66	1.08	0.26	0.82	-
5	Navin Fluorine (Shanghai) Co. Ltd	April 01, 2024 - March 31, 2025	100%	RMB 1 RMB = INR 11.7525	6.64	(6.42)	0.24	1.28	-	0.97	0.04	0.00		-
6	Navin Fluorine Advanced Sciences Ltd	April 01, 2024 - March 31, 2025	100%	INR	590.48	152.16	2,881.17	2,138.53	0.00	840.94	60.63	10.70	49.93	-

The figures reported above are without considering elimination

* Navin Fluorine International Limited holds 51% and NFIL (UK) Limited holds 49% in Manchester Organics Limited

** NFIL (UK) Limited holds 100% in NFIL (USA) Inc

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

Part "B" Joint Ventures

Statement pursuant to section 129 (3) of the companies Act 2013 related to Joint Ventures

Sr. No.	Name of the Joint Venture/Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures/Associate held by the Company on the year end			Net worth attributable to share as per latest audited Balance Sheet	Profit/Loss for the year	
			No. of Shares	Amount of investment in Joint Venture	Extend of %		Considered in Consolidation	Not Considered in Consolidation
1	Swarnim Gujarat Fluorspar Private Limited – SGFPL	March 31, 2025	11,82,500	-	49.48%	-	-	-

NAVIN FLUORINE INTERNATIONAL LTD.

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Navin Fluorine International Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Navin Fluorine International Limited (hereinafter referred to as the "Holding Company") and its branch and subsidiaries (Holding Company and its branch and subsidiaries, including a step down subsidiary together referred to as "the Group") and joint venture (refer Note 1B to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2024, and consolidated total comprehensive income (comprising of profit/ loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and join venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 and 15 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of carrying value of: a) Goodwill relating to acquisition of Manchester Organics Limited, U.K.; and b) Identified Property, Plant and Equipment (PP&E) relating to Dewas Unit (Refer to Note 2(h), 2(i), 5A and 7 in the consolidated financial statements) The carrying value of the goodwill in relation to the acquisitions of the aforesaid subsidiary and the property plant and equipment (PP&E) relating to the group's manufacturing facility at Dewas as at March 31, 2024 is Rs. 72.85 crore and Rs. 215.58 crores respectively, which in aggregate represents approximately 6.59% of the total assets of the Group. The Group carries the Goodwill at cost less any accumulated impairment losses, if any, and PP&E at cost less accumulated depreciation and impairment losses, if any. The Group reviews their carrying values at every balance sheet date and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', where there is any indication of impairment to the carrying value. Management estimates recoverable amount of the Cash Generating Unit (CGU) to which the Goodwill and PP&E belong, based on discounted cash flows, requiring judgements in respect of certain key inputs like determining an appropriate discount rate, future cash flows and terminal growth rate. We have considered this to be a key audit matter as the balances are significant to the consolidated balance sheet and significant management judgement is involved in calculation of recoverable amount for the purpose of impairment testing.	**Our procedures included the following:** • Understood the management process for impairment assessment and also evaluated the design and tested the operating effectiveness of the group's internal controls surrounding such assessment. • Reviewed the Group's accounting policy in respect of impairment assessment of goodwill and PP&E. • Assessed whether the Group's determination of CGUs was consistent with our knowledge of the Group's operations. • Compared the previous year cash flow forecasts made by the management to actual results to assess the historical accuracy of forecasting. • To assess the reasonableness of the key assumptions used, in particular those relating to discount rates, cash flow forecasts and terminal growth rates applied: – Engaged with auditors' valuation experts to determine a range of acceptable discount rates and terminal growth rates, with reference to valuations of similar companies and other relevant external data. – Performed sensitivity analysis on the forecasts by varying the key assumptions within a foreseeable range. – Tested the cash flow forecasts used and assessed whether those were consistent with our understanding of the business. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements. • Based on the above procedures performed, we noted that the management's assessment of the carrying value of the Goodwill and PP&E is reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Business responsibility and sustainability reporting format, report on corporate governance and management discussion and analysis report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 and 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial statements one subsidiary whose financial statements reflect total assets of Rs. 34.93 crores and net assets of Rs. 19.53 crores as at March 31, 2024, total revenue of Rs. 6.62 crores, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 4.87 crores and net cash flows (net) of Rs. (0.55) crores for the year ended on that date, as considered in the consolidated financial statements. This financial statements has been audited by other auditor whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.



15. The financial statements of two subsidiaries and one step down subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 63.29 crore and net assets of Rs. 63.19 crore as at March 31, 2024, total revenue of Rs. 11.56 crore, total comprehensive income (comprising of income and other comprehensive income) of Rs. 0.56 crore and net cash flows amounting to Rs. 0.59 crore for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and step down subsidiary located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and step down subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

16. We did not audit the financial statements of one subsidiary and one Branch located outside India whose financial statements reflect total assets of Rs. 50.58 crores and net assets of Rs. 25.14 crores as at March 31, 2024, total revenue of Rs. 33.08 crores, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. (0.61) crores and net cash outflows (net) amounting to Rs. (0.06) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss of Rs. 0.01 crores for the year ended March 31, 2024 as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these branch, subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

    The statutory audit report of Swarnim Gujarat Fluorspar Private Limited, a joint venture of the Holding Company has not been issued until the date of this report. Accordingly, no comments for the said joint venture have been included for the purpose of reporting under this clause.



18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 51 to the consolidated financial statements.

ii. The Group and its joint venture have long-term contracts as at March 31, 2024 for which there were no material foreseeable losses. The Group did not have any long-term derivative contracts as at March 31, 2024.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company, its subsidiary companies and joint venture, is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions, except when certain privileged access are used, the audit log does not capture the pre-modified values for the changes and the audit trail has not been enabled at the database level for the accounting software to log any direct data changes that can be only made through certain privileged access. Further, during the course of our audit wherever audit trail is enabled, we did not notice any instance of audit trail feature being tampered with.

With respect to software used for processing payroll records, which is operated by a third party software service provider, the ISAE 3402 Type 2 report is not available with the software service provider and accordingly we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year.

19. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partners
Membership Number: 048125
UDIN: 24048125BKGOUA1386
Mumbai
May 07, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Navin Fluorine International Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2024

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2024

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
F[illegible]754N/N500016

Jeetendra Mirchandani
Partners
Membership Number: 048125
UDIN: 24048125BKGOUA1386
Mumbai
May 07, 2024

Navin Fluorine International Limited
Consolidated Balance sheet as at March 31, 2024
Amount ₹ in crores unless otherwise stated

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a. Property, plant and equipment	5A	1,685.44	1,471.83
b. Right-of-use assets	5B	48.43	33.09
c. Capital work-in-progress	5C	711.09	278.58
d. Investment properties	6	50.51	51.65
e. Goodwill	7	87.76	87.76
f. Other intangible assets	7	2.46	1.55
g. Financial assets			
i. Investment accounted for using the equity method	8	0.74	0.75
ii. Investments	9	8.05	10.89
iii. Loans	10	0.25	0.32
iv. Other financial assets	11	23.31	27.76
h. Non-current tax assets (net)	12	12.70	31.41
i. Other non-current assets	13	193.05	148.17
Total non-current assets		**2,823.79**	**2,143.76**
Current assets			
a. Inventories	14	371.65	468.12
b. Financial assets			
i. Investments	15	486.03	32.17
ii. Trade receivables	16	512.51	561.52
iii. Cash and cash equivalents	17A	6.64	14.47
iv. Bank balances other than (iii) above	17B	20.90	20.34
v. Loans	18	0.61	-
vi. Other financial assets	19	18.25	7.88
c. Other current assets	20	136.62	279.31
		1,553.21	**1,383.81**
d. Assets classified as held for sale	21	-	1.72
Total current assets		**1,553.21**	**1,385.53**
Total assets		**4,377.00**	**3,529.29**
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	22	9.91	9.91
b. Other equity			
i. Reserves and surplus	23A	2,216.34	2,019.18
ii. Other reserves	23B	156.42	155.86
Total equity		**2,382.67**	**2,184.95**
Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	24	1,022.86	753.13
ii. Lease Liabilities	25	17.30	6.42
b. Provisions	26	18.49	15.09
c. Deferred tax liabilities (Net)	27	64.33	34.75
d. Other non-current liabilities	28	13.45	13.47
Total non-current liabilities		**1,136.43**	**822.86**
Current liabilities			
a. Financial liabilities			
i. Borrowings	24	317.08	95.52
ii. Lease Liabilities	29	11.22	5.73
iii. Trade payables	30		
a. Total outstanding dues of micro enterprises and small enterprises		44.13	40.63
b. Total outstanding dues other than (iii) (a) above		258.37	202.85
iv. Other financial liabilities	31	83.92	101.23
b. Contract liabilities	34c	90.02	5.38
c. Provisions	32	12.12	7.96
d. Current tax liabilities (Net)	12	0.78	8.23
e. Other current liabilities	33	40.26	53.95
Total current liabilities		**857.90**	**521.48**
Total liabilities		**1,994.33**	**1,344.34**
Total equity and liabilities		**4,377.00**	**3,529.29**
Material Accounting Policies	2		

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Price Waterhouse Chartered Accountants LLP PIN AAC-5001 FRN 012754N/N500016 Mumbai

NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Balance Sheet as at March 31, 2024

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 07, 2024

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

A. P. Ganatra
Chief Financial Officer

N. B. Mankad
Company Secretary

Mumbai
Date : May 07, 2024

Navin Fluorine International Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue from operations	34	2,065.01	2,077.40
Other Income	35	55.85	35.73
Total Income		**2,120.86**	**2,113.13**
EXPENSES			
Cost of materials consumed	36	902.28	905.72
Purchases of stock-in-trade		9.43	19.66
Changes in Inventories of finished goods, work in progress and stock-in-trade	37	23.72	(29.37)
Employee benefits expense	38	285.84	249.41
Finance costs	39	74.56	27.52
Depreciation and amortisation expense	40	96.16	62.64
Other expenses	41	445.46	381.67
Total Expenses		**1,837.45**	**1,617.25**
Profit before exceptional item and tax		**283.41**	**495.88**
Exceptional item	54 A	52.13	-
Profit before tax		**335.54**	**495.88**
Tax expenses			
(1) Current tax			
(a) for the year	42	61.79	106.10
(b) for earlier year	42	(26.09)	-
(2) Deferred tax	27.1	29.33	14.59
Total Tax expenses		**65.03**	**120.69**
Profit for the year		**270.51**	**375.19**
Share of (loss) from joint ventures (Net)		(0.01)	(0.01)
Total profit for the year		**270.50**	**375.18**
Other comprehensive income			
(A) Items that will not be reclassified to profit and loss			
(i) Remeasurement loss of the defined benefit obligations		(0.85)	1.03
(ii) Current tax relating to the above		0.31	(0.26)
Total (A)		**(0.54)**	**0.77**
(B) Items that may be reclassified to profit and loss			
(i) Exchange differences on translation of foreign operations		0.56	1.27
Total (B)		**0.56**	**1.27**
Total other comprehensive income (A+B)		**0.02**	**2.04**
Total comprehensive income for the year		**270.52**	**377.22**
Profit is attributable to:			
Owners of the Company		270.50	375.18
Other Comprehensive Income attributable to:			
Owners of the Company		0.02	2.04
Total Comprehensive Income attributable to:			
Owners of the Company		270.52	377.22
Earnings per equity share (of face value of ₹ 2.00 each)	44		
(1) Basic (in ₹)		54.57	75.70
(2) Diluted (in ₹)		54.49	75.44
Material Accounting Policies	2		

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2024

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 07, 2024

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

A. P. Ganatra
Chief Financial Officer

N. B. Mankad
Company Secretary

Mumbai
Date : May 07, 2024

Navin Fluorine International Limited
Consolidated statement of cash flows for the year ended March 31, 2024
Amount ₹ in crores unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	335.54	495.88
Adjustments for:		
Depreciation and amortisation expense	96.16	62.64
Exceptional Item	(52.13)	-
(Gain) / Loss on sale / disposal of property, plant and equipment (Net)	0.89	(1.97)
(Gain) on sale of investments (Net)	(5.34)	(9.04)
Changes in fair value of financial assets at fair value through profit or loss	(10.95)	(0.97)
Employee Share-based payment expense	1.47	16.79
Finance Costs	74.56	27.52
Interest income	(3.26)	(3.03)
Lease rental income on investment properties	(13.17)	(14.45)
Net (Gain) / Loss on foreign currency transactions	(1.41)	2.06
Dividend Income	(0.03)	(0.03)
Excess provision/ liabilities written back	(0.01)	(0.50)
Provision for doubtful debts	0.81	2.03
Operating profit before changes in operating assets and liabilities	**423.13**	**576.93**
Adjustments for:		
Decrease / (Increase) in trade receivables	50.62	(206.65)
Decrease / (Increase) in inventories	96.47	(210.58)
Decrease / (Increase) in other assets	77.93	(233.56)
Increase in trade and other payables	136.01	120.05
Cash generated from operations	**784.16**	**46.19**
Income taxes paid (net of refunds)	(34.27)	(109.78)
Net cash (used in) / generated from operating activities	**749.89**	**(63.59)**
Cash flows from investing activities		
Payments for property, plant and equipment	(732.39)	(757.71)
Proceeds from sale of property, plant and equipment	54.13	2.18
Decrease / (Increase) in deposits with banks	3.57	(4.41)
Payments for purchase of investments	(1,878.24)	(1,261.86)
Proceeds from sale of investments	1,443.51	1,346.16
Lease rental income on investment properties	12.68	16.96
Dividend received	0.03	0.03
Interest received	3.26	3.03
Net cash used in investing activities	**(1,093.45)**	**(655.62)**
Cash flows from financing activities		
Principal elements of lease payments	(6.60)	(5.67)
Proceeds from allotment of Employee Stock Option Plan (ESOP)	0.09	1.23
Proceeds of long term borrowings	380.85	653.13
Proceeds of short term borrowings (Net)	110.44	91.05
Dividend paid	(74.49)	(54.28)
Interest paid	(74.56)	(27.52)
Net cash generated from financing activities	**335.73**	**657.94**
Net decrease in cash and cash equivalents	**(7.83)**	**(61.27)**
Cash and cash equivalents at the beginning of the year	14.47	75.74
Cash and cash equivalents at the end of the year	**6.64**	**14.47**
Reconcillation of cash and cash equivalents as per the cash flow statement		
As per Balance sheet - Note 17A	6.64	14.47
As per Cash flow statement	**6.64**	**14.47**

Notes:

(1) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Statement of Cash Flows" as notified under Companies (Accounts) Rules, 2015.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.





Navin Fluorine International Limited
Consolidated Statement of Cash flows for the year ended March 31, 2024

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 07, 2024

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

A. P. Ganatra
Chief Financial Officer

N. B. Mankad
Company Secretary

Mumbai
Date : May 07, 2024

Navin Fluorine International Limited
Consolidated Statement of changes in equity for the year ended March 31, 2024

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 07, 2024

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

A. P. Ganatra
Chief Financial Officer

N. B. Mankad
Company Secretary

Mumbai
Date : May 07, 2024

Consolidated Statement of changes in equity for the year ended March 31, 2024

(Amount ₹ in crores unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at March 31, 2022	**9.91**
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
Balance as at March 31, 2023	**9.91**
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
Balance as at March 31, 2024	**9.91**

*Numbers are below rounding off

B. Other Equity

Particulars	Reserves & Surplus				Other Reserves					Total other equity
	Securities Premium Reserve	General Reserve	Share Options Outstanding Account	Retained Earnings	Capital Reserve 1	Capital Reserve 2	Capital redemption reserve	Call in arrears / share options pending for allotment	Foreign currency translation reserve	
Balance as at March 31, 2022	**25.47**	**73.33**	**1.30**	**1,579.62**	**80.35**	**70.35**	**0.34**	**0.01**	**3.54**	**1,834.31**
Profit for the year	-	-	-	375.18	-	-	-	-	-	375.18
Other comprehensive income for the year, net of income tax	-	-	-	0.77	-	-	-	-	1.27	2.04
Total comprehensive income for the year	**-**	**-**	**-**	**375.95**	**-**	**-**	**-**	**-**	**1.27**	**377.22**
Shares issued on exercise of employee stock options during the year	1.71	-	-	-	-	-	-	-	-	1.71
Recognition of share-based payments (Net)	-	-	16.32	-	-	-	-	-	-	16.32
Payment of dividends (including tax)	-	-	-	(54.52)	-	-	-	-	-	(54.52)
Balance as at March 31, 2023	**27.18**	**73.33**	**17.62**	**1,901.05**	**80.35**	**70.35**	**0.34**	**0.01**	**4.81**	**2,175.04**
Profit for the year	-	-	-	270.50	-	-	-	-	-	270.50
Other comprehensive income for the year, net of income tax	-	-	-	(0.54)	-	-	-	-	0.56	0.02
Total comprehensive income for the year	**-**	**-**	**-**	**269.96**	**-**	**-**	**-**	**-**	**0.56**	**270.52**
Shares issued on exercise of employee stock options during the year	0.09	-	-	-	-	-	-	-	-	0.09
Recognition of share-based payments (Net)		-	1.47	-	-	-	-	-		1.47
Payment of dividends (including tax)	-	-	-	(74.36)	-	-	-	-	-	(74.36)
Balance as at March 31, 2024	**27.27**	**73.33**	**19.09**	**2,096.65**	**80.35**	**70.35**	**0.34**	**0.01**	**5.37**	**2,372.76**

The above Consolidated Statement of changes in equity should be read in conjunction with the accompanying notes.

1A. Corporate Information

Navin Fluorine International Limited ("the Company") is a public limited company, incorporated under the provisions of the Companies Act, 1956. Its registered office is located at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400069.

The Company and its subsidiary Companies are referred to as the Group here under. The Group primarily focuses on fluorine chemistry - producing refrigeration gases, inorganic fluorides, specialty organofluorines and offers Contract Research and Manufacturing Services.

1B. Basis of Consolidation

Name of the Company	Country of Incorporation	Proportion of Ownership	
		As at March 31, 2024	As at March 31, 2023
Subsidiaries:			
Sulakshana Securities Limited	India	100%	100%
Navin Fluorine Advanced Sciences Limited	India	100%	100%
NFIL (UK) Limited	UK	100%	100%
Manchester Organics Limited	UK	100%	100%
Navin Fluorine (Shanghai) Co. Limited	China	100%	100%
Step-down Subsidiary:			
NFIL USA, Inc.	USA	100%	100%
Joint Ventures (JV):			
Swarnim Gujarat Fluorspar Private Limited (JV)	India	49.48%	49.48%

2. Material Accounting Policies

This note provide a list of the material accounting policies adopted by the Group in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Consolidated Financial Statements are for the group consisting of the Company, subsidiaries and step-down subsidiary companies.

a) Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the following:
- certain financial assets and liabilities (including derivative instruments) and contingent consideration are measured at fair value.
- defined benefit plans – plan assets are measured at fair value.
- share-based payments are measured at fair value.

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NAVIN FLUORINE INTERNATIONAL LTD.

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain accounting standards, and are effective April 01, 2023.

- Disclosure of accounting policies – amendment to Ind AS 1.
- Disclosure of accounting estimates - amendment to Ind AS 8.
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior period and are not expected to significantly affect the current or further periods. Specifically, no changes would be necessary as consequences of amendments made to Ind AS 12 as the Group's accounting policy already complies with now mandatory treatment.

b) Principles of consolidation and equity accounting

(i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

(ii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in Joint Ventures.

Interest in Joint Venture Company are accounted for using the equity method of accounting [see (iii) below], after initially being recognised at cost in the Consolidated Financial Statements.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate and joint venture Company ar the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 58 (h).

(iv) Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

c) Revenue recognition

(i) Sale of Goods

Revenue is generated primarily from sale of chemicals. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of lading as per the terms of contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

(ii) Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

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NAVIN FLUORINE INTERNATIONAL LTD.

(iii) Contract liability

A contract liability is the obligation to transfer goods / render services to the customer for which the Group has received consideration from the customer. Contract liabilities are recognized as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods / rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(iv) Export Incentives

Export incentives are recognised for based on the eligibility and when there is no uncertainty in receiving the same.

d) Leases

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

See note 58(d) for the other accounting policies relevant to Leases.

e) Income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is :

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NAVIN FLUORINE INTERNATIONAL LTD.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.
Deferred tax liabilities are not recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations

Leave obligation:
The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

Defined benefit plan

Gratuity Obligations:
The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

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NAVIN FLUORINE INTERNATIONAL LTD.

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the Consolidated Statement of Changes in Equity in the balance sheet.

Provident fund liability:
The Group contributes towards family pension fund, superannuation fund and provident fund for certain employees which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Provident Fund for certain employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognized by the Income Tax authorities where other entities are also the participant. Periodic contributions to the Fund are charged to the Consolidated Statement of Profit and Loss and when services are rendered by the employees. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

g) Employee share-based payment arrangements

Eligible employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to eligible employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an ndependent valuer basis Black Scholes model. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this pricing model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

h) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less deprecation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment which are not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation or : has been provided on the straight-line method as per the useful cribed in Schedul n the Companies Act, 2013. However, for below

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assets, the useful lives are higher or lower than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. However, for below assets, mentioned in table below, where useful life is different than those prescribed in Schedule II. The estimated useful life of the assets, mentioned in table below, has been assessed based on external technical evaluation which considered the nature of the assets, estimated usage of the assets, the operating condition of the assets, anticipated technological changes, manufacturer warranties, experience of the management and group companies, maintenance support, etc:

Assets	Useful Life
Plant and Machinery	5-50 years
Building	50 years
Furniture and fixtures	7 years
Office equipment	3 - 5 years
Roads	50 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

See note 58(e) for the other accounting policies relevant to Property, Plant and Equipment

i) Intangible assets

Goodwill

Goodwill on acquisitions of subsidiary companies is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of Goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

See note 58(f) for the other accounting policies relevant to intangible assets.

j) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable, borrowing costs.

Investment properties are depreciated using straight line method over their useful lives specified in Schedule II to the Companies Act, 2013.

See note 58(g) for the other accounting policies relevant to Investment properties.

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k) Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on weighted average basis. Cost includes all charges in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

l) Cash and Cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

p) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

q) Provisions and contingencies

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

r) Investment in associate and joint ventures

Investments in associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Consolidated Statement of Profit and Loss.

s) Investment and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Consolidated Statement of Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Consolidated Statement of Profit and Loss or other comprehensive income.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Consolidated Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Profit or Loss are expensed in the Statement of Consolidated Profit and Loss.

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I. Debt Instruments:

Subsequent measurement of debt instruments depends on the Group business model for managing the assets and cash flows characteristic. There are three measurement categories into which the group classifies its debt instruments.

- **Amortised Cost:** Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the Statement of Consolidated Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Consolidated Profit and Loss.

- **Fair value through other comprehensive Income (FVOCI):** Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

- **Fair Value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income. Debt instrument under this category comprises of investments in mutual funds that do not qualify for measurement at either at amortised cost or FVOCI.

II. Equity instruments

The Group subsequently measures all equity investments other than investment in subsidiary companies and joint venture at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in Statement of Consolidated Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Consolidated Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 47.5 details how the Group determines whether there has been a significant increase in credit risk.

(v) Income recognition

- **Interest income:**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognized in the Statement of Consolidated Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

- **Dividend:**

  Dividends are recognised in the Consolidated Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

t) Exceptional items

If the management believes that losses are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

3. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgements are:

(a)Estimation of current tax expense and current tax payable [Refer note:42]
(b)Estimated fair value of unlisted equity securities. [Refer note:47.2]
(c) Useful lives of property, plant and equipment and intangible assets. [Refer note:5A & 7]
(d)Estimation of Defined benefits plan [Refer note:46]
(e)Estimation of contingent liabilities [Refer note:51]
(f) Impairment of trade receivables [Refer note:47.5]

4. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

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5A. PROPERTY, PLANT AND EQUIPMENT

I. Gross Block	Freehold land	Buildings	Office Equipment	Vehicles	Plant and machinery	Furniture and Fixture	Total
Balance as at April 01, 2022	0.37	85.52	17.45	3.17	428.41	12.53	547.45
Additions	-	135.33	6.76	-	1,003.17	6.22	1,151.48
Assets included in a disposal group classified as held for sale	*	(2.70)	-	-	-	-	(2.70)
Disposals/Adjustments	-	-	(0.05)	-	(1.24)	-	(1.29)
Effect of Foreign currency exchange difference	-	-	0.02	-	0.21	-	0.23
Balance as at March 31, 2023	**0.37**	**218.15**	**24.18**	**3.17**	**1,430.55**	**18.75**	**1,695.17**
II. Accumulated depreciation							
Balance as at April 01, 2022	-	14.48	6.88	1.32	143.86	3.36	169.90
Depreciation expense for the year	-	3.33	2.34	0.40	47.35	1.93	55.35
Assets included in a disposal group classified as held for sale	-	(0.98)	-	-	-	-	(0.98)
Disposals/Adjustments	-	-	(0.03)	-	(1.05)	-	(1.08)
Effect of Foreign currency exchange difference	-	-	0.01	-	0.14	-	0.15
Balance as at March 31, 2023	**-**	**16.83**	**9.20**	**1.72**	**190.30**	**5.29**	**223.34**
Net block (I-II)							
Balance as at March 31, 2023	**0.37**	**201.32**	**14.98**	**1.45**	**1,240.25**	**13.46**	**1,471.83**

I. Gross Block	Freehold land	Buildings	Office Equipment	Vehicles	Plant and machinery	Furniture and Fixture	Total
Balance as at April 01, 2023	0.37	218.15	24.18	3.17	1,430.55	18.75	1,695.17
Additions	-	46.51	5.24	0.26	241.28	8.26	301.55
Assets included in a disposal group classified as held for sale	-	-	-	-	-	-	-
Disposals/Adjustments	*	-	(0.28)	(1.12)	(7.07)	(0.35)	(8.82)
Effect of Foreign currency exchange difference	-	-	0.03	-	0.33	-	0.36
Balance as at March 31, 2024	**0.37**	**264.66**	**29.17**	**2.31**	**1,665.09**	**26.66**	**1,988.26**
II. Accumulated depreciation							
Balance as at April 01, 2023	-	16.83	9.20	1.72	190.30	5.29	223.34
Depreciation expense for the year	-	5.22	3.63	0.31	74.58	3.12	86.86
Assets included in a disposal group classified as held for sale	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	(0.18)	(0.90)	(6.30)	(0.27)	(7.65)
Effect of Foreign currency exchange difference	-	-	0.02	-	0.25	-	0.27
Balance as at March 31, 2024	-	**22.05**	**12.67**	**1.13**	**258.83**	**8.14**	**302.82**
Net block (I-II)							
Balance as at March 31, 2024	**0.37**	**242.61**	**16.50**	**1.18**	**1,406.26**	**18.52**	**1,685.44**

* Numbers are below rounding off

Note:

i) Refer note 50 for details of Capital commitment relating to Property, plant and equipment.

ii) Refer note 24 for information on charge on Property, plant and equipement as collateral security by the group.

iii) Property, plant and equipment includes gross amount of ₹ 443.45 crores (March 31, 2023: ₹ 430.18 crores) for capex associated with a dedicated supply contract meeting the criteria of operating lease under Ind AS 116.

5B. Right-of-use assets

This note provides information for leases where the Group is a lessee. The Group leases various Premises, Vehicles and Plant and machinery.

Description	Premises	Vehicles	Plant and machinery	Leasehold Land	Total
I. Gross Block					
Balance as at April 01, 2022	22.63	1.56	2.53	24.33	51.05
Addition	-	2.12	-	-	2.12
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	-	(0.65)
Effects of Foreign currency	-	-	0.04	-	0.04
Balance as at March 31, 2023	**22.47**	**3.54**	**2.22**	**24.33**	**52.56**
II. Accumulated depreciation					
Balance as at April 01, 2022	9.26	0.92	1.05	2.30	13.53
Depreciation expense for the year	5.56	0.56	0.20	(0.43)	5.89
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	0.69	0.04
Effects of Foreign currency	-	-	0.01	-	0.01
Balance as at March 31, 2023	**14.66**	**1.34**	**0.91**	**2.56**	**19.47**
Net block (I-II)					
Balance as at March 31, 2023	**7.81**	**2.20**	**1.31**	**21.77**	**33.09**

Description	Premises	Vehicles	Plant and machinery	Leasehold Land	Total
I. Gross Block					
Balance as at April 01, 2023	22.47	3.54	2.22	24.33	52.56
Addition	7.61	7.73	8.90	-	24.24
Disposals/Adjustments	(13.42)	-	(1.80)	-	(15.22)
Effects of Foreign currency	-	-	0.06	-	0.06
Balance as at March 31, 2024	**16.66**	**11.27**	**9.38**	**24.33**	**61.64**
II. Accumulated depreciation					
Balance as at April 01, 2023	14.66	1.34	0.91	2.56	19.47
Depreciation expense for the year	4.18	1.87	1.34	0.24	7.63
Disposals/Adjustments	(13.43)	-	(0.47)	-	(13.90)
Effects of Foreign currency	-	-	0.01	-	0.01
Balance as at March 31, 2024	**5.41**	**3.21**	**1.79**	**2.80**	**13.21**
Net block (I-II)					
Balance as at March 31, 2024	**11.25**	**8.06**	**7.59**	**21.53**	**48.43**

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5C. CAPITAL WORK-IN PROGRESS

(a) Movement of Capital work-in-progress

Description	Total
Capital work-in progress	
Balance as at March 31, 2022	**742.10**
Addition	697.44
Disposals/Adjustments/Transfers	(1,160.96)
Balance as at March 31, 2023	**278.58**
Addition	736.20
Disposals/Adjustments/Transfers	(303.69)
Balance as at March 31, 2024	**711.09**

(b) Ageing of Capital work-in-progress

		As at March 31, 2024				
		Amounts in capital work-in-progress for				
		Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i)	Projects in Progress	628.62	75.17	7.30	-	711.09
ii)	Projects in temporarily suspended	-	-	-	-	-
	Total	**628.62**	**75.17**	**7.30**	**-**	**711.09**

		As at March 31, 2023				
		Amounts in capital work-in-progress for				
		Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i)	Projects in Progress	271.06	7.52	-	-	278.58
ii)	Projects in temporarily suspended	-	-	-	-	-
	Total	**271.06**	**7.52**	**-**	**-**	**278.58**

c) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

	Particulars	As at March 31, 2024				
		To be completed in				
		Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i)	**Projects in Progress**					
	Project A	593.45	-	-	-	593.45
	Project B	-	-	-	-	-
	Total Project in Progress	**593.45**	**-**	**-**	**-**	**593.45**
ii)	**Projects temporarily suspended**	-	-	-	-	-
	Project C	-	-	-	-	-
	Project D	-	-	-	-	-
	Total Projects in temporarily suspended	**-**	**-**	**-**	**-**	**-**
	Grand Total	**593.45**	**-**	**-**	**-**	**593.45**

	Particulars	As at March 31, 2023				
		To be completed in				
		Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i)	**Projects in Progress**					
	Project A	28.40	-	-	-	28.40
	Project B	-	-	-	-	-
	Total Project in Progress	**28.40**	**-**	**-**	**-**	**28.40**
ii)	**Projects temporarily suspended**	-	-	-	-	-
	Project C	-	-	-	-	-
	Project D	-	-	-	-	-
	Total Projects in temporarily suspended	**-**	**-**	**-**	**-**	**-**
	Grand Total	**28.40**	**-**	**-**	**-**	**28.40**

d) In current year group has included ₹ 63.59 crores in Capital work-in-progress as preoperative expenses (Previous year : ₹ 102.55 crores)

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6. INVESTMENT PROPERTIES

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount		
Opening Balance	59.58	59.58
Additions	-	-
Disposals	-	-
Closing Balance	**59.58**	**59.58**
II. Accumulated depreciation		
Opening Balance	7.93	6.80
Charge for the year	1.14	1.13
Closing Balance	**9.07**	**7.93**
Net carrying amount (I-II)	**50.51**	**51.65**

(i) Amount recognised in the Consolidated Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income (refer note 35)	13.17	14.45
Direct operating expenses from property that generated rental income	2.59	2.79
Profit from investment properties before depreciation	**10.58**	**11.66**
Depreciation	1.14	1.13
Profit from investment properties	**9.44**	**10.53**

(ii) The Group has given office premises under lease rental agreement. Details of minimum lease payments for non-cancellable leases are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
not later than one year	3.49	5.63
later than one year and not later than five years	9.20	15.27
later than five years	-	-
Total	**12.69**	**20.90**
Operating lease rentals credited to the Consolidated Statement of Profit and Loss (refer note 35)	**13.17**	**14.45**

(iii) Fair Value

Particulars	As at March 31, 2024	As at March 31, 2023
Investment properties	227.00	207.27

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:
• current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
• discounted cash flow projections based on reliable estimates of future cash flows
• capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.
The fair values of investment properties have been determined by independent valuer. The valuation is based on market research, market trend and comparable values as considered appropriate. All resulting fair value estimates for investment properties are included in level 3.





7. OTHER INTANGIBLE ASSETS AND GOODWILL

Particulars	Other intangible assets - Software	Goodwill
Balance at April 01, 2022	3.07	87.76
Additions	1.33	
Deduction/Adjustment	-	-
Balance at March 31, 2023	**4.40**	**87.76**
Accumulated amortisation		
Balance at April 1, 2022	2.58	-
Amortisation expense	0.27	-
Deduction/Adjustment	-	-
Balance at March 31, 2023	**2.85**	**-**
Net carrying amount as at March 31, 2023	**1.55**	**87.76**

Balance at April 01, 2023	4.40	87.76
Additions	1.44	
Deduction/Adjustment	-	-
Balance at March 31, 2024	**5.84**	**87.76**
Accumulated amortisation		
Balance at April 1, 2023	2.85	-
Amortisation expense	0.53	-
Deduction/Adjustment	-	-
Balance at March 31, 2024	**3.38**	**-**
Net carrying amount as at March 31, 2024	**2.46**	**87.76**

Significant estimate - impairment of Goodwill

For the purpose of impairment testing, Goodwill is allocated to a cash generating unit, representing the lowest level within the Group at which Goodwill is monitored for internal Management purposes and which is not higher than the operating segment of the Group. The Goodwill of ₹ 14.91 Crores pertains to the acquisition of Sulakshana Securities Limited and recoverable amount has been determined using fair value less cost of disposal. Goodwill of ₹ 72.85 Crores pertains to the acquisition of Manchester Organics Limited and recoverable amount has been determined based on its value in use.

Under value in use calculation, management with the help of external valuer uses cash flow projections based on financial budgets approved by the management covering a five-year period, and a discount rate of 14.25% per annum respectively. The cash flows beyond that five-year period have been extrapolated using a terminal growth rate of 3% per annum. The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. Accordingly, there was no impairment recorded for the period March 31, 2024.

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8. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
Investments in Equity Instruments				
In joint ventures (Unquoted, fully paid up)				
- Equity shares of Swarnim Gujarat Fluorspar Private Limited of ₹ 10.00 each	11,82,500	0.75	11,82,500	0.76
Add: Share in total comprehensive income		(0.01)		(0.01)
Total		**0.74**		**0.75**
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		**0.74**		**0.75**
Aggregate amount of impairment in value of investments		-		-

9. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
(a) Investments in Equity Instruments				
- Equity shares of Cebon Apparel Private Limited of ₹ 10.00 each	3,90,591	3.36	4,81,600	3.65
- Equity shares of Mafatlal Services Limited of ₹ 100.00 each [Gross (-) impairment of ₹ 0.13 crores (March 31, 2023: ₹ 0.13 crores)]	9,300	-	9,300	-
(b) Investments in Alternate investment fund - (at fair value through profit or loss)				
- ASK Real Estate Special Situation Fund - I -RESSF-4071	381	4.69	541	7.24
Total		**8.05**		**10.89**
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		8.05		10.89
Aggregate amount of impairment in value of investments		0.13		0.13

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10. LOANS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
- Loans to employees	0.25	0.32
Less: Loss allowance	-	-
Total	**0.25**	**0.32**

Break up of Security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.25	0.32
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**0.25**	**0.32**
Loss allowance	-	-
Total	**0.25**	**0.32**

11 OTHER FINANICAL ASSETS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks held as margin money*	6.06	10.19
Security deposits	13.93	14.78
Rent Receivable	3.32	2.79
Total	**23.31**	**27.76**

* The above bank deposits are marked as lien against bank guarantees.

12. NON-CURRENT TAX ASSETS / CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current Tax Assets [net of provision ₹ 232.84 Crores (March 31, 2023: ₹ 390.76 Crores)]	12.70	31.41
Current Tax Liability [net of Advance tax ₹ 150.92 Crores (March 31, 2023: ₹ 182.86 Crores)]	0.78	8.23

13. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	66.39	86.36
Prepaid expenses	0.12	0.35
Advance Fringe benefit tax	0.04	0.04
Advances towards a Project (refer note 53)	1.63	1.63
Balances with government authorities	124.87	59.79
Total	**193.05**	**148.17**

14. INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	200.00	299.45
Work-in-progress	48.54	58.82
Finished goods	68.39	58.29
Stock-in-trade	-	22.57
Stores and Spares	54.72	28.99
Total	**371.65**	**468.12**

Write-downs of inventories to net realisable value amounted to ₹ 2.24 crores (March 31, 2023 – ₹ 3.72 crores). These were recognised as an expense during the year and included in 'Cost of materials consumed' and 'Changes in Inventories of finished goods, work in progress and stock-in-trade' in the Statement of Profit and Loss.





15. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
(a) Investments in Equity Instruments (Quoted, fully paid up) - (at fair value through profit or loss)				
- Equity shares of NOCIL Limited of ₹ 10.00 each	1,10,000	2.74	1,10,000	2.27
(b) Investments in mutual funds (Unquoted) - (at fair value through profit or loss)				
- ICICI Ultra Short Term Fund - Regular Plan - Growth Option	50,36,768	12.75	-	-
- Mirae Asset Liquid Fund - Regular Plan - Growth Option	1,83,887	36.29	-	-
- UTI Liquid Cash Plan - Regular Plan - Growth Option	72,978	28.66	-	-
- Axis Liquid Fund - Regular Plan - Growth Option	1,38,111	36.80	-	-
- Aditya Birla SunLife Liquid Fund - Regular Plan - Growth Option	6,36,029	24.53	-	-
- HSBC Liquid Fund - Regular Plan - Growth Option	95,677	22.84	-	-
- Nippon India Money Market Fund - Regular Plan - Growth Option	34,418	13.01	-	-
- Bandhan Liquid Fund - Regular Plan - Growth Option	43,203	12.50	-	-
- Bandhan Ultra Short Term Fund - Regular Plan - Growth Option	83,99,383	11.68	-	-
- TATA Liquid Fund - Regular Plan - Growth Option	1,13,945	32.57	-	-
- HDFC Overnight Fund - Regular Plan - Growth Option	2,12,103	13.02	-	-
- HDFC Ultra Short Term Fund - Regular Plan - Growth Option	92,04,077	12.74	-	-
- HDFC Liquid Fund - Regular Plan - Growth Option	88,602	41.63	-	-
- ICICI Pru Liquid Fund - Regular Plan - Growth Option	8,65,252	23.20	32,125	1.06
- HDFC Overnight Fund - Regular plan- Growth Option	28,410	10.01	-	-
- Sundaram Liquid Fund - Regular Plan - Growth Option	9,522	8.49	72,863	11.05
- Mirae Asset Overnight Fund - Regular Plan - Growth Option	8,76,019	3.04	-	
- Nippon India Liquid Fund - Regular Plan - Growth Option	67,087	39.20	-	-
- Nippon India Ultra Short Duration Fund - Regular Plan - Growth Option	25,069	9.25	-	-
- UTI Overnight Fund - Regular Plan - Growth Option	6,54,791	39.60		
- AXIS Overnight Fund - Regular Plan - Growth Option	7,99,550	43.56	50,869	6.02
- ICICI Prudential Overnight Fund - Regular Plan - Growth Option	1,38,281	6.07	74,808	9.00
(c) Investments in Bonds/debentures (Unquoted, fully paid up) - (at amortised cost)				
10% Non-convertible debentures of ATS Infrabuild Private Limited SR-I to III NCD	18	1.85	18	2.77
Total		**486.03**		**32.17**
Of the above:				
Aggregate amount of quoted investments and market value thereof		2.74		2.27
Aggregate amount of unquoted investments		483.29		29.90
Aggregate amount of impairment in value of investments		-		-

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16. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	517.46	565.66
Less:- Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(4.95)	(4.14)
Total receivables	**512.51**	**561.52**

Break-up for security details

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	1.20	1.15
Trade receivables considered good - Unsecured	511.31	560.37
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	4.95	4.14
Total receivables	**517.46**	**565.66**
Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(4.95)	(4.14)
Total trade receivables	**512.51**	**561.52**

Ageing of trade receivables:

Particulars	As at March 31, 2024 — Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
a) Considered good	453.24	54.81	0.71	3.69	0.05	0.01	512.51
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	0.26	2.81	1.88	4.95
Total Undisputed Trade receivables	**453.24**	**54.81**	**0.71**	**3.95**	**2.86**	**1.89**	**517.46**
Disputed trade receivables							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade receivables	-	-	-	-	-	-	-
Total Trade Receivables	**453.24**	**54.81**	**0.71**	**3.95**	**2.86**	**1.89**	**517.46**

Particulars	As at March 31, 2023 — Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
a) Considered good	510.61	46.01	3.90	1.00	-	-	561.52
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	0.26	2.00	0.62	1.26	4.14
Total Undisputed Trade receivables	**510.61**	**46.01**	**4.16**	**3.00**	**0.62**	**1.26**	**565.66**
Disputed trade receivables							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade receivables	-	-	-	-	-	-	-
Total Trade Receivables	**510.61**	**46.01**	**4.16**	**3.00**	**0.62**	**1.26**	**565.66**

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17A. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.07	0.09
Balances with banks in current account *	6.52	14.33
Deposits with original maturity of less than or equal to 3 months	0.05	0.05
Total	**6.64**	**14.47**

*One current account with bank balance ₹ 0.02 Crores (March 31, 2023: ₹ 0.02 Crores), which has not been transferred from Mafatlal Industries Limited pursuant to its scheme of demerger, is in the process of being transferred in the Company's name.

17B. OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	4.74	4.88
Buyback account	-	0.01
Deposits with maturity of more than 3 month and less than 12 months	3.81	3.66
Deposits money received under protest (refer note 54)	12.00	11.44
Balances in earmarked accounts (Unpaid matured debentures)	0.35	0.35
Total	**20.90**	**20.34**

18. LOANS (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Loans to employees	0.61	-
Less: Loss allowance	-	-
Total	**0.61**	**-**

Break-up of Security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.61	-
Loans which have significant increase in credit risk	-	-
Loss allowance	-	-
Total	**0.61**	**-**





19. OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Rent Receivable	0.29	0.33
Lease Receivable	9.96	-
Security deposits	0.44	1.40
Derivative assets - Foreign exchange contracts	0.14	0.32
Export incentive receivables	7.34	4.29
Other Receivable	0.08	1.54
Total	**18.25**	**7.88**

20. OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to suppliers	14.31	70.24
Prepaid expenses	8.17	5.21
Balances with government authorities	96.99	196.61
Others advances	17.15	7.25
Total	**136.62**	**279.31**

21. ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2024	As at March 31, 2023
Building	-	1.72
Total	**-**	**1.72**

22. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Shares		
17,50,00,000 equity shares of ₹ 2 each	35.00	35.00
Issued, subscribed and fully paid shares		
4,95,73,400 (as at March 31, 2023 - 4,95,71,170) equity shares of ₹ 2.00 each	9.91	9.91
Less: Calls in arrears [refer note 22 (f)]	*	*
Total	**9.91**	**9.91**

*Numbers are below rounding off

(a) Reconciliation of the number of shares and amount outstanding:

Particulars	Number of shares	Amount
Balance as at March 31, 2022	**4,95,53,150**	**9.91**
Add: Shares issued on exercise of employee stock options during the year	18,020	*
Balance as at March 31, 2023	**4,95,71,170**	**9.91**
Add: Shares issued on exercise of employee stock options during the year	2,230	*
Balance as at March 31, 2024	**4,95,73,400**	**9.91**

* Numbers are below rounding off

(b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 2.00 per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company in proportion to the number of and amounts paid on the shares held.

(c) Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48.

(d) Details of shareholders holding more than 5% shares in the Company:

Particulars	No. of fully paid shares	% of Holding
As at March 31, 2024		
Mafatlal Impex Private Limited	1,30,36,149	26.30%
Life Insurance Corporation of India	44,48,258	8.97%
As at March 31, 2023		
Mafatlal Impex Private Limited	1,14,07,420	23.01%

(e) Details of share holding of promoters:

Shareholding of promoters as on March 31, 2024

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	3,82,635	0.77	-
Vishad Padmanabh Mafatlal	7,14,349	1.44	-
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited **	-	-	-
Mafatlal Impex Private Limited **	1,30,36,149	26.30	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	1,21,275	0.24	-
Total	**1,42,79,724**	**28.80**	

*Numbers are below rounding off

** Mafatlal Exim Private Limited amalgamated with Mafatlal Impex Private Limited pursuant to the Scheme of Amalgamation. The effective date of the said acquisition is July 7, 2023 i.e. date of filing of order of Hon. NCLT, Mumbai Bench with the Registrar of Companies, Maharashtra (Mumbai).

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Shareholding of promoters as on March 31, 2023

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	3,82,635	0.77	-
Vishad Padmanabh Mafatlal	7,14,349	1.44	(38.12)%
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited	16,28,729	3.29	-
Mafatlal Impex Private Limited	1,14,07,420	23.01	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	1,21,275	0.24	-
Total	**1,42,79,724**	**28.80**	

*Numbers are below rounding off

(f) Calls unpaid (by other than officers and directors)

Particulars	No. of shares	Amount
As at March 31, 2024		
Equity shares of ₹ 2 each, ₹ 1 called up but unpaid	8,920	*
As at March 31, 2023		
Equity shares of ₹ 2 each, ₹ 1 called up but unpaid	8,920	*

*Numbers are below rounding off

(g) Out of the rights issue made in 2004-05, 109 equity shares could not be offered on rights basis due to the non-availability of details of beneficial holders from depositories. The same are kept in abeyance.

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23. OTHER EQUITY

23A RESERVES AND SURPLUS

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	27.27	27.18
General Reserve	73.33	73.33
Share Options Outstanding Account	19.09	17.62
Retained Earnings	2,096.65	1,901.05
Total	**2,216.34**	**2,019.18**

(i) **Securities Premium**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	27.18	25.48
Add: Received during the year on shares issued on exercise of employee stock options during the year	0.09	1.70
Closing Balance	**27.27**	**27.18**

(ii) **General Reserve**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	73.33	73.33
Closing Balance	**73.33**	**73.33**

(iii) **Share Options Outstanding Account**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	17.62	1.30
Employee stock option expense (Net)	1.47	16.32
Closing Balance	**19.09**	**17.62**

(iv) **Retained Earnings**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,901.05	1,579.62
Add: Profit for the year	270.50	375.19
Less:		
Other comprehensive income for the year, net of income tax	(0.54)	0.77
Dividends (including tax)	(74.36)	(54.52)
Closing Balance	**2,096.65**	**1,901.05**

Description of reserves

Securities premium - The Securities Premium was created on issue of shares at a premium. The reserve is utilised in accordance with the provisions of the Act.

General Reserve - The general reserve comprises of transfer of profits from retained earnings for appropriation purpose. The reserve can be distributed/utilised by the Company in accordance with the provisions of the Act.

Share options outstanding account - The employee stock options outstanding represents reserve in respect of equity settled share options granted to the Group's employees in pursuance of the employee stock option plan.

Retained earnings - [illegible] cumulated earnings of the Company

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23B OTHER RESERVES

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve no.1	80.35	80.35
Capital Reserve no.2	70.35	70.35
Capital redemption reserve	0.34	0.34
Call in arrears/share options pending for allotment	0.01	0.01
Foreign currency translation reserve	5.37	4.81
Total	**156.42**	**155.86**

(i) Capital Reserve No.1:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	80.35	80.35
Closing Balance	**80.35**	**80.35**

(ii) Capital Reserve no.2

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	70.35	70.35
Closing Balance	**70.35**	**70.35**

(iii) Capital redemption reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.34	0.34
Closing Balance	**0.34**	**0.34**

(iv) Call in arrears/share options pending for allotment

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.01	0.01
Closing Balance	**0.01**	**0.01**

(v) Foreign currency translation reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	4.81	3.54
Add: Changes in foreign currency translation reserve	0.56	1.27
Closing Balance	**5.37**	**4.81**

Description of reserves

Capital Reserve no. 1 - Capital reserve no. 1 was created for excess of assets over liabilities and reserves taken over pursuant to the scheme of demerger of chemical business of Mafatlal Industries Limited.

Capital Reserve no. 2 -Capital reserve no. 2 was created for compensation received pursuant to the Montreal Protocol for phasing out production of ozone depleting substances.

Capital redemption reserve - Capital redemption reserve was created out of the general reserve during the buy back of equity shares and it is a non-distributable reserves.

Foreign currency translation reserve - Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

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24. BORROWINGS

Particulars	Non- Current	Current	Non- Current	Current
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
Secured *				
Term Loan from banks (refer note a)	1,022.86	-	753.13	-
Cash Credit (refer note b)	-	117.01	-	81.95
Working Capital Loan from banks (refer note b)	-	88.95	-	13.57
Current maturities of long term borrowings	-	111.12	-	-
Total	**1,022.86**	**317.08**	**753.13**	**95.52**

* interest accrued on borrowings are included in the respective amounts.

Terms of Borrowings:

a. **Term Loan from banks**

(i) The term Loan carries interest rate of 8.23% - 8.86% (Previous year: 5.55% - 8.92%). Interest rate is derived from base rate/ 3m TBill plus spread.

(ii) Axis Bank Term loan of ₹195 cr is repayable in 17 quarterly installments after 30 months of disbursement. The other term loans are repayable in 16 quarterly installment after 24 months of disbursement.

(iii) The loan is secured by way of:
- Unconditional and irrevocable corporate guarantee from Holding Company.
- First pari passu charge on fixed assets of Navin Fluorine Advanced Sciences Limited both present and future.
- Second pari passu charge on current assets of Navin Fluorine Advanced Sciences Limited both present and future.

b. **Cash Credit and Working Capital Loans**

(i) The Cash credit, Working capital loans, Buyers credit and Packing credit in Foreign currency carry interest rate of 4.95% - 9.40% (Previous year: 7.50% - 8.50%). Interest rate is derived from base rate/ Tbill/ MCLR / SOFR / EURIBOR plus margin.

(ii) Cash credit and Working capital loan is repayable on demand

(iii) The loan is secured by way of:
- Unconditional and irrevocable corporate guarantee from Holding Company.
- First pari passu charge on current assets of the Group both present and future.
- Second pari passu charge on fixed assets of the Group both present and future, excluding land at Dewas.

c. **Net debt reconciliation:**

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	6.64	14.47
Liquid Investments	486.03	32.17
Lease Liabilities	(28.52)	(12.15)
Borrowings	(1,339.94)	(848.65)
Total	**(875.79)**	**(814.16)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investments	Lease Liabilities	Borrowings	
Net debt as at March 31, 2022	**75.74**	**104.19**	**(16.35)**	**(104.47)**	**59.11**
Cash flows	(61.27)	(72.53)	5.67	(741.61)	(869.74)
New leases	-	-	(1.47)	-	(1.47)
Interest expense	-	-	(0.95)	(14.54)	(15.49)
Interest paid	-	-	0.95	11.97	12.92
Fair value adjustments	-	0.51	-	-	0.51
Net debt as at March 31, 2023	**14.47**	**32.17**	**(12.15)**	**(848.65)**	**(814.16)**
Cash flows	(7.83)	442.91	6.60	(492.09)	(50.41)
New leases	-	-	(22.97)	-	(22.97)
Interest expense	-	-	(1.70)	(64.47)	(66.17)
Interest paid	-	-	1.70	65.27	66.97
Fair value adjustments	-	10.95	-	-	10.95
Net debt as at March 31, 2024	**6.64**	**486.03**	**(28.52)**	**(1,339.94)**	**(875.79)**





25. LEASE LIABILITIES (NON CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	17.30	6.42
Total	**17.30**	**6.42**

The total expenses related to short term lease (included in other expenses) was ₹ 0.11 crores (March 31,2023 ; ₹ 0.52 crores)

26. PROVISIONS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences (refer note 46.3)	18.49	15.09
Total	**18.49**	**15.09**

27. DEFERRED TAX LIABILIITES - (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	112.94	65.48
Less: deferred tax assets	(48.61)	(30.74)
Total Deferred Tax Liabilities (Net)	**64.33**	**34.75**

27.1 Movement of Deferred Tax

(I) Deferred tax assets/ liabilities in relation to the year ended March 31, 2024

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to:				
Property, plant and equipment and intangible assets	57.80	43.72	-	101.52
Right-of-use assets	3.42	1.77	-	5.19
Financial asset measured at FVTPL	1.23	1.85	-	3.08
On undistributed profit	2.84	(0.01)	-	2.83
Foreign Currency translation reserve	0.24	-	-	0.24
Others	(0.05)	0.13	-	0.08
Total deferred tax liabilities	**65.48**	**47.46**	**-**	**112.94**
Deferred tax assets in relation to:				
Indexation benefit on Investment properties	17.66	1.38	-	19.04
Fair Valuation of loan to wholly owned subsidiary	(0.73)	0.01	-	(0.72)
Provision for Compensated Absences	2.91	0.98	-	3.89
Provision for Gratuity	0.72	(0.44)	(0.22)	0.06
Provision for doubtful debts	1.11	0.13	-	1.24
Preliminary expenses u/s. 35D	0.23	(0.11)	-	0.12
Lease Liabilities	4.17	1.85	-	6.02
Others	4.67	14.33	(0.04)	18.96
Total deferred tax assets	**30.74**	**18.13**	**(0.26)**	**48.61**
Total deferred tax liabilities/(deferred tax assets) (A - B)	**34.75**	**29.33**	**0.26**	**64.33**

(ii) Deferred tax assets/ liabilities in relation to the year ended March 31, 2023

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to:				
Property, plant and equipment and intangible assets	38.93	18.87	-	57.80
Right-of-use assets	4.00	(0.58)	-	3.42
Financial asset measured at FVTPL	0.71	0.52	-	1.23
On undistributed profit	2.84	-	-	2.84
Foreign Currency translation reserve	0.24	-	-	0.24
Others	(0.14)	0.09	-	(0.05)
Total deferred tax liabilities	**46.58**	**18.90**	**-**	**65.48**
Deferred tax assets in relation to:				
Indexation benefit on Investment properties	16.31	1.35	-	17.66
Fair Valuation of loan to wholly owned subsidiary	(0.58)	(0.15)	-	(0.73)
Provision for Compensated Absences	1.99	0.93	-	2.91
Provision for Gratuity	0.36	0.36	-	0.72
Provision for doubtful debts	0.53	0.58	-	1.11
Preliminary expenses u/s. 35D	0.33	(0.10)	-	0.23
Lease Liabilities	4.39	(0.22)	-	4.17
Capital losses	0.16	(0.16)	-	-
Others	2.95	1.72	-	4.67
Total deferred tax assets	**26.44**	**4.31**	**-**	**30.74**
Total deferred tax liabilities/(deferred tax assets) (A - B)	**20.14**	**14.59**	**-**	**34.75**

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28. OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Liability against project contracts (refer note 53)	13.35	13.35
Deferred Government Grant	0.10	0.12
Total	**13.45**	**13.47**

29 LEASE LIABILITIES (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	11.22	5.73
Total	**11.22**	**5.73**

30 TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	44.13	40.63
Total outstanding dues other than above	258.37	202.85
Total	**302.50**	**243.48**

The Group participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables / other financial liabilities enabling suppliers to take early payment by selling their receivables from the Group.

The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Group therefore discloses such amounts within trade payables / other financial liabilities because the nature and function of the financial liability remains same.

Ageing of Trade Payables:

	As at March 31, 2024						
	Outstanding for following periods from the due date						
Particulars	**Unbilled**	**Not Due**	**Less than 1 Year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade Payables							
a) Micro enterprises and small enterprises	0.19	26.24	17.70	-	-	-	44.13
b) Others	28.21	26.52	197.44	3.87	0.86	1.47	258.37
Total Undisputed Trade Payables	**28.40**	**52.76**	**215.14**	**3.87**	**0.86**	**1.47**	**302.50**
Disputed trade Payables	-						
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
Total disputed Trade Payables	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Trade Payables	**28.40**	**52.76**	**215.14**	**3.87**	**0.86**	**1.47**	**302.50**

	As at March 31, 2023						
	Outstanding for following periods from the due date						
Particulars	**Unbilled**	**Not Due**	**Less than 1 Year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade Payables							
a) Micro enterprises and small enterprises	0.92	26.67	13.04	-	-	-	40.63
b) Others	60.24	127.36	14.54	0.12	0.24	0.35	202.85
Total Undisputed Trade Payables	**61.16**	**154.03**	**27.58**	**0.12**	**0.24**	**0.35**	**243.48**
Disputed trade Payables	-						
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
Total disputed Trade Payables	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Trade Payables	**61.16**	**154.03**	**27.58**	**0.12**	**0.24**	**0.35**	**243.48**

31. OTHER FINANCIAL LIABILITES (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividends*	4.74	4.88
Unpaid money on buy-back of shares	-	0.01
Unclaimed matured debentures and interest accrued thereon	0.34	0.35
Derivative liability - Foreign exchange contract	0.61	0.40
Capital Creditors	67.40	84.17
Security Deposits received	10.78	11.36
Others	0.05	0.06
Total	**83.92**	**101.23**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

32. PROVISIONS (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences (refer note 46.3)	5.33	4.64
Gratuity Payable (refer note 46.2)	6.79	3.32
Total	**12.12**	**7.96**

33. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers (refer note 54)	12.53	11.90
Statutory dues	10.20	10.90
Deferred Government Grant	0.02	0.02
Payables to Employees	17.44	30.74
Others	0.07	0.39
Total	**40.26**	**53.95**

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34. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products	2,024.70	2,037.73
Sale of services	23.58	27.65
Other operating revenues		
- Scrap Sales/others	6.22	4.71
- Export Incentives	10.51	7.31
Total	**2,065.01**	**2,077.40**

Note:

a) The group is primarily engaged in the business of manufacture and sale of fluorine chemistry products and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.

b) Includes sale of products associated under a dedicated supply contract meeting the criteria of operating lease under Ind AS 116. Estimated operating lease income under Ind AS 116 is ₹ 50.50 crores (March 31, 2023: ₹ 45.78 crores).

c) Contract liabilities

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract liabilities	90.02	5.38
Total	**90.02**	**5.38**

d) Management expects that 20.73% of the contract liabilities as of March 31, 2024 will be recognised as revenue during the next reporting period (₹ 18.66 crores). The remaining 79.27% (₹ 71.36 crores) will be recognised in the financial year 2025-26 onwards.

e) Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract price	2,024.87	2,032.87
Adjustments for:		
- Contract liabilities	(10.36)	(1.25)
Revenue from operations	**2,014.51**	**2,031.62**

f) Revenue recognised in relation to contract liabilities:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the period	5.38	1.25

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35. OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income		
- on banks deposits	0.74	0.92
- on income tax refund	17.98	0.93
- on loans and advances	2.52	2.10
- others	-	0.01
- on investments in Mutual Fund/Shares	0.03	0.03
Lease rental income on investment properties (refer note 6)	13.17	14.45
Other gains and losses		
- Gain on disposal of property, plant and equipment	-	2.00
- Net gain arising on financial assets mandatorily measured at FVTPL	10.95	0.97
- Excess provision/ liabilities written back (net)	0.01	0.50
- Net gain arising on sale of Investment in Equity Instruments	0.95	-
- Net gain arising on sale of Investment in Mutual funds	4.39	9.04
- Net gain on foreign currency transactions	1.83	3.10
- Miscellaneous Income	3.28	1.68
Total	**55.85**	**35.73**

36. COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material consumed	869.47	876.37
Packing material consumed	32.81	29.35
Total	**902.28**	**905.72**

37. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year		
Finished goods	68.39	58.29
Work-in-progress	48.54	58.80
Stock-in-trade	-	22.57
	116.93	139.66
Inventories at the beginning of the year		
Finished goods	58.29	45.22
Work-in-progress	58.80	38.82
Stock-in-trade	22.57	25.60
	139.66	109.64
	22.73	(30.02)
Add/(Less): Foreign currency translation adjustments	(0.99)	(0.65)
Total changes in inventories of finished goods, work-in-progress and stock-in-trade	**23.72**	**(29.37)**





38. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and bonus	253.68	211.80
Contribution to provident and other funds (refer note 46.1 and 46.2)	12.37	8.61
Employee share-based payment expense (refer note 48)	1.47	16.79
Staff Welfare Expenses	13.49	8.21
Gratuity expenses (refer note 46.2)	4.83	4.00
Total	**285.84**	**249.41**

39. FINANCE COSTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings	62.47	19.31
Interest on lease liabilities	1.68	0.95
Interest on others	10.41	7.26
Total	**74.56**	**27.52**

40. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 5A)	86.86	55.35
Depreciation on Right-of-use assets (refer note 5B)	7.63	5.89
Depreciation on investment properties (refer note 6)	1.14	1.13
Amortisation of intangible assets (refer note 7)	0.53	0.27
Total	**96.16**	**62.64**

41. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	149.82	134.54
Rent expense (refer note 45)	1.26	0.93
Repairs and Maintenance		
- Plant and Machinery	17.13	12.84
- Buildings	1.49	1.43
Consumption of stores and spares	59.78	47.90
Transport and freight charges (net)	43.15	43.07
Labor contract charges	27.27	31.17
Property maintenance expenses	0.07	0.08
Legal and Professional Charges (refer note 41.1)	18.15	17.63
Rates & Taxes	8.17	7.40
Insurance	13.46	8.19
Directors Sitting Fees	0.95	0.50
Loss on Sale/ retirement of property, plant & equipment	0.89	0.03
Net loss / (gain) on foreign currency transactions	0.70	0.26
Provision for doubtful debts / advances (net)	0.81	2.03
Expenditure on Corporate Social Responsibility (refer note 41.2)	7.99	6.15
Miscellaneous expenses	94.37	67.52
Total	**445.46**	**381.67**

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41.1 Payment to auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors		
a) Statutory audit	0.62	0.47
b) Other audit services	0.30	0.27
c) Re-imbursement of expenses	0.02	0.01
Total	**0.94**	**0.75**

41.2 Corporate Social Responsibility

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the company during the year	7.85	6.14
b) Amount spent during the year on:	7.99	6.15
	In cash	**Yet to be paid in cash**
For the year March 31, 2024		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	7.99	6.15
For the year March 31, 2023		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	6.15	5.28

42. Income taxes

Income tax expenses recognised

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
In respect of the current year		
- Current tax recognised in Statement of Profit and Loss	61.79	106.10
- Excess provision of tax for earlier years	(26.09)	-
- Deferred tax	29.33	14.59
	65.03	**120.69**
In respect of the current year		
- Current tax recognised in other comprehensive income	(0.31)	0.26
	(0.31)	**0.26**
Total income tax expense recognised in the current year	**64.72**	**120.95**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	**335.54**	**495.88**
Income tax expense	81.11	120.75
Effect of:		
- Income exempt from tax	-	(0.12)
- Adjustments for current tax of prior period	(26.09)	-
- Expenses that are not deductible in determining taxable profits	2.82	1.67
- Tax concessions availed	(0.33)	(2.89)
- Tax on income at rates different from statutory income tax rate	(4.21)	(0.05)
- Tax rate difference on indexation items	(0.43)	-
- Ind AS Adjustments	(2.26)	-
- Adjustments pertaining to prior years	12.49	-
- Deductible temporary differences on account of indexation benefits	1.91	1.41
- Others	0.02	(0.08)
Income tax expense recognised in Consolidated Statement of Profit and loss	**65.03**	**120.69**

43. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. Chairman and Managing Director of the Group are the chief operating decision makers. The Group operates only in one Business Segment i.e. 'Chemical Business' which constitutes a single reporting segment.

(i) The Group has two geographical segments based upon location of its customers - within and outside India:

Particulars	As at and for the year ended March 31, 2024			As at and for the year ended March 31, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenues *	720.50	1,344.51	2,065.01	699.07	1,378.33	2,077.40
Carrying cost of non current assets@	2,779.65	11.78	2,791.43	2,096.16	7.87	2,104.03
Cost incurred on acquisition of property, plant and equipment	735.50	0.07	735.57	689.29	-	689.29

* Timing of revenue recongnition is at a point in time.
@ Excluding financial assets.

(ii) Revenue from customers of the Group which is individually more than 10 percent of the Group's total revenue:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Customer A	431.07	423.81
Customer B	227.30	213.60

44. EARNING PER SHARE

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to equity shareholders - (₹ in Crores) - **A**	270.50	375.18
Weighted average number of equity shares outstanding during the year - **B**	4,95,72,078	4,95,58,378
Effect of Dilution :		
Weighted average number of ESOP shares outstanding	70,239	1,73,700
Weighted average number of Equity shares adjusted for the effect of dilution - **C**	4,96,42,317	4,97,32,078
Basic earnings per share - ₹ (**A/B**)	54.57	75.70
Diluted earnings per share - ₹ (**A/C**)	54.49	75.44
Nominal value per share - ₹	2.00	2.00





45. Leasing arrangement

The Group has taken office, residential premises and vehicles under operating lease or leave and license agreements. These are generally cancellable in nature and range between 11 months to 60 months. These leave and license agreements are generally renewable or cancelable at the option of the Group or the lessor. The lease payment recognised in the Consolidated Statement of Profit and Loss is ₹ 1.26 Crores (March 31, 2023: ₹ 0.93 Crores). From April 01, 2019 the Group has recognised right of use assets for these leases, except short term leases. Refer note 5B for further information.

46. Employee benefit plans

46.1 Defined Contribution Plan

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year:

Particulars	As at March 31, 2024	As at March 31, 2023
Contribution to Provident Fund	6.82	5.18
Contribution to Family Pension Fund	2.07	1.63
Contribution to NPS	1.61	-
Contribution to Superannuation Fund	1.73	1.69
Contribution to Employees' State Insurance Scheme	0.01	0.01
Contribution to Employees' Deposits Linked Insurance Scheme	0.13	0.10
Total	**12.37**	**8.61**

46.2 Defined Benefit Plans

(i) Gratuity (Funded)

The Group sponsors funded defined benefit gratuity plan for all eligible employees of the Group except for certain employees. The Group's defined benefit gratuity plan requires contributions to be made to a separately administered trust. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Group makes provision for gratuity fund based on an actuarial valuation carried out at the end of the year using 'projected unit credit' method.

(a) **The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (gratuity) is as follows:**

Balances of defined benefit plan

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(38.33)	(33.54)
Fair value of plan assets	31.54	30.22
Net (liability)/asset arising from gratuity	(6.79)	(3.32)





(b) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities:**

Following is the amount recognised in Consolidated Statement of Profit and Loss, other comprehensive income, movement in defined benefit liability (i.e. gratuity) and movement in plan assets:

Particulars	As at March 31, 2024	As at March 31, 2023
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	4.70	4.14
Net interest expenses	0.24	0.14
Total (A)	**4.94**	**4.28**
B. Components of defined benefit costs recognised in other Comprehensive Income		
- Return on plan assets (excluding amounts included in net interest expense)	(0.30)	(0.32)
- Actuarial gains and losses arising from changes in demographic assumptions	(1.34)	(1.53)
- Actuarial gains and losses arising from changes in financial assumptions	0.24	(0.63)
- Actuarial gains and losses arising from experience adjustments	2.25	1.45
Total (B)	**0.85**	**(1.03)**
C. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	33.54	30.15
Current service cost	4.70	4.14
Interest cost	2.41	2.04
Liabilities assumed for employee transferred to/from other entity	-	-
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	(1.34)	(1.53)
- Actuarial gains and losses arising from changes in financial assumptions	0.24	(0.63)
- Actuarial gains and losses arising from experience adjustments	2.24	1.45
Benefits paid	(3.46)	(2.08)
Closing defined benefit obligation (C)	**38.33**	**33.54**
D. Movements in the fair value of the plan assets		
Opening fair value of plan assets	30.22	28.24
Interest income	2.17	1.91
Remeasurement gain/(loss):		
- Return on plan assets (excluding interest income)	0.30	0.32
Contributions by employer	2.31	1.83
Benefits paid	(3.46)	(2.08)
Closing fair value of plan assets (D)	**31.54**	**30.22**

(c) **Principal assumptions**

The principal assumptions used for the purposes of the actuarial valuations of gratuity liability were as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
1. Discount rate	7.17%	7.50% / 7.30%
2. Salary escalation	10%	10%
3. Mortality rate	Indian Assured Lives Mortality 2012 - 14 (Urban)	Indian Assured Lives Mortality 2012 - 14 (Urban)
4. Attrition rate	15%	2% / 15%

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(d) The expected contribution to the plan for the next financial year is ₹ 4.81 Crores (Previous Year: ₹ 4.58 Crores)

(e) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particular	As at March 31, 2024	As at March 31, 2023
Central Government of India	38.76%	39.71%
State Government Securities	0.00%	0.00%
Special Deposits Scheme	8.03%	9.14%
Debt Instruments/Corp Bonds	53.21%	51.15%

(f) The weighted average duration of the defined benefit obligation is 7 years (March 31, 2023: 7 years). The expected maturity analysis of gratuity is as follows:

Particulars	Within 1 year	1-5 years	Above 5 years
As at March 31, 2024	7.61	19.72	28.88
As at March 31, 2023	7.23	15.25	30.61

(g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase and attrition rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while all other assumptions constant. Following is the impact of changes in assumption in defined benefit obligation of gratuity:

Increase/ (decrease) in assumptions	As at March 31, 2024	As at March 31, 2023
Impact of discount rate for 50 basis points increase	(0.80)	(0.74)
Impact of discount rate for 50 basis points decrease	0.84	0.79
Impact of salary escalation rate for 50 basis points increase	0.81	0.76
Impact of salary escalation rate for 50 basis points decrease	(6.68)	(0.73)
Impact of attrition rate for 50 basis points increase	(0.21)	(0.19)
Impact of attrition rate for 50 basis points decrease	0.21	0.20

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.





(ii) Provident fund (funded)

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund for all employees, are charged to the Consolidated Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Group. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

(a) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (trust managed provident fund) is as follows:

Balances of defined benefit plan

Particular	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(67.14)	(54.33)
Fair value of plan assets	68.01	55.76
Net Assets/(Liabilities)*	-	-

* Excess of fair value of plan assets over present value of funded defined benefit obligation has not been recognised.

(b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in Consolidated Statement of Profit and Loss, movement in defined benefit liability (i.e. provident fund) and movement in plan assets:

Particulars	As at March 31, 2024	As at March 31, 2023
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	4.15	3.56
Expected Return on plan assets	(4.65)	(3.71)
Net interest expenses	4.65	3.71
Total (A)	**4.15**	**3.56**
B. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	54.33	45.41
Opening balance adjustment	0.03	0.84
Current service cost	4.15	3.56
Interest cost	4.65	3.71
Employee Contribution	6.27	5.58
Liabilities assumed for employee transferred from other entity	3.18	0.31
Benefits paid	(5.47)	(3.72)
Balance not recognized in Income statement	-	(1.36)
Closing defined benefit obligation (B)	**67.14**	**54.33**
C. Movements in the fair value of the plan assets		
Opening fair value of plan assets	55.76	45.41
Remeasurement gain/(loss):	(0.54)	0.91
Expected Return on plan assets	4.65	3.71
Contributions	10.42	9.14
Asset transferred in for employee transferred from other entity	3.18	0.31
Benefits paid	(5.46)	(3.72)
Closing fair value of plan assets (C)	**68.01**	**55.76**

(c) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particular	As at March 31, 2024	As at March 31, 2023
Central Government of India	13.20%	14.07%
State Government Securities	33.33%	32.62%
Special Deposits Scheme	16.42%	19.36%
Public Sector Units	31.08%	28.14%
Others	5.97%	5.80%





(iii) Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

46.3 Other Long term Employee Benefits:

The liability for Compensated absences as determined by Independent actuary as at the balance sheet date is ₹ 23.82 Crores (March 31, 2023: ₹ 19.73 Crores).

47. Financial Instruments and Risk Review

47.1 Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return to shareholders the capital or issue new shares or take such appropriate action as may be needed. The Group considers total equity reported in the financial statements to be managed as part of capital.

The Group has Net Debt (Net debt includes interest bearing borrowings and lease liabilites less cash and cash equivalents and liquid investments) as mentioned below:

Particulars	As at March 31, 2024	As at March 31, 2023
Net Debt	875.79	814.16
Total equity	2,382.67	2,184.95
Net debt to equity ratio	36.76%	37.26%

The net debt to equity ratio for the current year reduced by 0.50% to 36.76% as a result of increase in total equity.

Loan covenants:

The below financial covenants shall be tested by bank on annual basis starting from F.Y. 2023-24 onwards, based on audited financial statements of the Group:
a) **Debt service Coverage ratio (Group)**: not below 1.30 times
b) **Current ratio (Group)**: not below 1.30 times
C) **Fixed Asset Coverage Ratio (NFASL)**: Not below 1.5 times
d) **Net Debt / EBITDA (Group)**: Not to exceed 3 times

The group has complied with these convenants throughout the reporting period.

47.2 Fair value measurements

(i) **Categories of financial instruments**

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at Amortised Cost		
– Cash and Bank Balances	27.54	34.81
– Investments	1.85	2.77
– Trade receivables	512.51	561.52
– Loans	0.86	0.32
– Other financial assets	41.42	35.32
Measured at fair value through profit and loss (FVTPL)		
(a) mandatorily measured		
– Equity instruments	6.10	5.92
– Investments in mutual funds / Other funds	486.13	34.37
– Derivative assets	0.14	0.32
Measured at Amortised Cost		
– Borrowing	1,339.94	848.65
– Lease liabilities	28.52	12.15
– Trade payable	302.50	243.48
– Other financial liabilities	83.31	100.83
Measured at fair value through profit and loss (FVTPL)		
– Derivative liability	0.61	0.40





(ii) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
As at March 31, 2024				
Financial assets				
– Investments in equity instruments	2.74	-	3.36	6.10
– Investments in mutual funds/other funds	481.44	-	4.69	486.13
– Derivative assets	-	0.14	-	0.14
Financial liabilities				
– Derivative liability	-	0.61	-	0.61
As at March 31, 2023				
Financial assets				
– Investments in equity instruments	2.27	-	3.65	5.92
– Investments in mutual funds/other funds	27.13	-	7.24	34.37
– Derivative assets	-	0.32	-	0.32
Financial liabilities				
– Derivative liability	-	0.40	-	0.40

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3.

(iii) **Valuation technique used to determine fair value**

1. The fair value of the unquoted investments is determined using quoted bid prices in an active market.

2. The fair value of the unquoted investments is determined using the inputs other than quoted prices included in level 1 that are observable for assets and liabilities.

3. Group has made investments in 'Ask Real Estate Special Situation Fund'. The Fund invests primarily in special purpose vehicles and companies of special purpose vehicles that undertake residential and mixed use real estate developments with a significant residential component. The Valuation methodology used shall depend on the type of property and market conditions and stage of development reached in the invested project. The suitability of a particular method of valuation is decided based on the below criteria:

- For undeveloped properties: Sales / Market Comparison Method benchmarked by Discounted Cash Flow Method
- For semi developed properties / properties under development: Weighted average of Discounted Cash Flow Method and Replacement Cost Method
- For completed properties, leased property or ready for sale properties: Capitalization of Rental Method or Market Comparison Method

(iv) **Fair value of Financial assets and liabilities measured at amortised cost**

The carrying amounts of cash and cash equivalents, trade receivables, receivables from related parties and trade payables are considered to be the same as their fair values due to their short-term nature. Fair value of security deposits approximates the carrying value.





47.3 Financial risk management objectives

The Group's activities exposes it to a variety of financial risks including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of financial risks on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

47.4 Market Risks

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and other price risk. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

a. Foreign exchange risk

i) Exposure to foreign exchange risk:
The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency of the entity in the Group. The risk also includes highly probable foreign currency cash flows.

The Group has exposure arising out of export, import and other transactions other than functional risks. The Group hedges its foreign exchange risk using foreign exchange forward contracts. The same is within the guidelines laid down by Risk Management Policy of the Group.

ii) Foreign exchange risk management:
To manage the foreign exchange risk arising from recognized assets and liabilities, Group use spot transactions, foreign exchange forward contracts, according to the Group's foreign exchange risk policy. Group's treasury is responsible for managing the net position in each foreign currency and for putting in place the appropriate hedging actions. The Group's foreign exchange risk management policy is to selectively hedge net transaction exposures in major foreign currencies.

The carrying amounts of the Group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	As at March 31, 2024 (₹ in Crores)		As at March 31, 2023 (₹ in Crores)	
Particulars	**(₹ in Crores)**	**(Foreign Currency in Crores)**	**(₹ in Crores)**	**(Foreign Currency in Crores)**
Amount receivable				
USD	196.19	2.35	170.54	2.08
GBP	-	*	0.07	*
Amount payable				
USD	8.94	0.10	41.80	0.51
GBP	0.29	-	-	-

*Numbers are below rounding off

iii) Foreign exchange risk sensitivity:

3% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 3% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analyze of change in profit where the Indian Rupee strengthens and weakens by 3% against the relevant currency:

Foreign currency	**For year ended March 31, 2024**		**For year ended March 31, 2023**	
USD	5.62	(5.62)	3.86	(3.86)
GBP	(0.01)	0.01	*	*

*Numbers are below rounding off

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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(iv) Forward foreign exchange contracts

The following table contains the details of forward foreign currency contracts outstanding at the end of the reporting period:

Currency	Exposure to buy / sell	As at the year end	
		₹ in Crores	Foreign Currency in Crores
US Dollars			
March 31, 2024	sell	137.81	1.65
March 31, 2023	sell	239.47	2.91
EURO			
March 31, 2024	sell	8.99	0.10
March 31, 2023	sell	1.81	0.02
GBP			
March 31, 2024	sell	-	-
March 31, 2023	sell	0.28	*
US Dollars			
March 31, 2024	buy	115.42	1.39
March 31, 2023	buy	23.92	0.29
EURO			
March 31, 2024	buy	6.38	0.06
March 31, 2023	buy	-	-

* Numbers are below rounding off

b. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The group is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The group monitors fluctuations in interest rate continuously to minimise impact of interest rate risk.

(i) Exposure to interest rate risk related to borrowings with floating rate of interest.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings bearing floating rate of interest	1,339.94	848.65

(ii) Interest rate sensitivity:

A change of 50 bps in interest rates would have following Impact on profit before tax:

Particulars	As at March 31, 2024	As at March 31, 2023
50 bp increase- decrease in profits *	6.70	4.24
50 bp decrease- Increase in profits *	(6.70)	(4.24)

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

c. Other price risks

The Group is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.

In order to manage its price risk arising from investments in equity instruments, the Group maintains its portfolio in accordance with the framework set by the Investment policy. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Management Committee.

Price Risk Sensitivity Analysis:

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Group has calculated the impact as follows:
For equity instruments, a 10% increase in equity prices would have led to approximately an additional ₹ 0.27 crores gain in statement if profit and loss (March 31, 2023: ₹ 0.23 crores). A 10% decrease in equity prices would have led to an equal but opposite effect.

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47.5 Credit risk

(i) Exposures to credit risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. The credit risk arises from its operating activities (i.e. primarily trade receivables), from its investing activities including deposits with banks and financial institutions and other financial instruments.

(ii) Credit risk management

1) Trade receivable

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 512.51 Crores (March 31, 2023 - ₹ 561.52 Crores).

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the group customers' financial condition; ageing of trade accounts receivable and the Group's historical loss experience.

Trade receivables are written off when there is no reasonable expectation of recovery. The allowance for lifetime expected credit loss on customer balances as at March 31, 2024 was- ₹ 4.95 crores (March 31, 2023 - ₹ 4.14 crores).

Loss allowance as at March 31, 2024 was determined as follows for trade receivables under the simplified approach

As at 31 March 2024	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	453.24	43.23	4.86	0.36	6.36	0.71	8.70	517.46
Expected loss rate	-	-	-	-	-	-	(57%)	(1%)
Expected credit losses- trade receivables	-	-	-	-	-		(4.95)	(4.95)
Carrying amount of trade receivables (net of impairment)	453.24	43.23	4.86	0.36	6.36	0.71	3.75	512.51

Loss allowance as at 31 March 2023 was determined as follows for trade receivables under the simplified approach

As at 31 March 2023	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	510.61	23.27	7.86	2.56	12.32	4.16	4.88	565.66
Expected loss rate	-	-	-	-	-	(6%)	(80%)	(1%)
Expected credit losses- trade receivables	-	-	-	-	-	(0.26)	(3.88)	(4.14)
Carrying amount of trade receivables (net of impairment)	510.61	23.27	7.86	2.56	12.32	3.90	1.00	561.52

Movement in the credit loss allowance

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning	4.14	2.11
Movement in expected credit loss allowance on trade receivable calculated at lifetime expected credit losses	0.81	2.03
Balance at the end	4.95	4.14

2) Cash and Cash Equivalent

Credit risk on cash and cash equivalents is limited as group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

3) Investment in Mutual Funds

Credit risk on investments in mutual fund is limited as group invested in mutual funds issued by the financial institutions with high credit ratings assigned by credit rating agencies.

47.6 Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

i) Liquidity risk tables

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

ii) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Carrying amount	Less than 1 year	More than 1 year	Total
As at March 31, 2024				
– Borrowing	1,339.94	317.08	1,022.86	1,339.94
– Trade payable	302.50	302.50	-	302.50
– Lease liabilities	28.52	11.22	17.30	28.52
– Other financial liabilities (other than derivative liabilities)	83.31	83.31	-	83.31
– Derivative liabilities	0.61	0.61	-	0.61
As at March 31, 2023				
– Borrowing	848.65	95.52	753.13	848.65
– Trade payable	243.48	243.48	-	243.48
– Lease liabilities	12.15	5.73	6.42	12.15
– Other financial liabilities (other than derivative liabilities)	100.83	100.83	-	100.83
– Derivative liabilities	0.40	0.40	-	0.40





48 Share based payments

Details of the employee share based plan of the Company

Employee stock option scheme 2007 ("ESOS 2007") - The Shareholders of the Company at their Annual General Meeting held on July 20,2007 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹ 2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2007, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2007 shall be capable of being exercisable on vesting within 10 years from grant date.

Employee stock option scheme 2017 ("ESOS 2017") - The Shareholders of the Company at their Annual General Meeting held on June 29,2017 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company and its subsidiary companies to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹ 2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2017, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2017 shall be capable of being exercisable on vesting within 10 years from grant date.

(i) The following share-based payment arrangements were in existence during the current and prior years under the scheme:

Scheme	Grant date	Number of Stock Options Granted	Vesting period	Exercise Price (₹)
ESOS 2007	July 28, 2007	1,11,000*	4 Years	74.84
	July 28, 2007	40,000*	4 Years	81.49
	April 28, 2014	4,33,500*	2 Years	78.00
	June 29, 2015	1,50,115*	2 Years	194.80
	October 24, 2016	56,075*	2 Years	554.40
ESOS 2017	March 19, 2018	58,830	2 Years	780.00
	May 9, 2018	725	2 Years	770.35
	January 7, 2019	14,315	2 Years	698.45
	October 19, 2022	1,55,000	In 4 equal tranches on October 31, 2023, April 01, 2024, April 01, 2025 and April 01, 2026	2.00
	February 5, 2024	1,87,500	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,326.00
	February 6, 2024	40,000	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,236.00

*Adjusted to corporate actions of sub-division of shares in the ratio of 5 Equity Shares of ₹ 2.00 each for every 1 Equity Share of ₹ 10.00 each.

(ii) The following reconciles the Stock Options outstanding at the beginning and end of the period:

	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of stock option	Weighted average exercise price (₹)	Number of stock option	Weighted average exercise price (₹)
Balance at beginning of year				
ESOS 2007	3,415	410.67	10,245	353.65
ESOS 2017	1,66,350	55.08	29,710	740.72
Granted during the year				
ESOS 2007	-	-	-	-
ESOS 2017	2,27,500	3,310.18	1,55,000	2.00
Exercised during the year				
ESOS 2007	1,590	245.69	1,125	274.71
ESOS 2017	640	780.00	16,895	710.90
Expired during the year				
ESOS 2007	-	-	5,705	335.05
ESOS 2017	1,05,000	2.00	1,465	780.00
Balance at the end year				
ESOS 2007	1,825	554.40	3,415	410.67
ESOS 2017	2,88,210	2,642.24	1,66,350	55.08

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(iii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price (₹)	Share options March 31, 2024	Share options March 31, 2023
July 28, 2007	July 27, 2017	81.49	-	-
April 28, 2014	April 27, 2024	78.00	-	-
June 29, 2015	June 28, 2025	194.80	-	1,365
October 24, 2016	October 23, 2026	554.40	1,825	2,050
March 19, 2018	March 18, 2028	780.00	10,710	11,350
May 9, 2018	May 8, 2028	770.35	-	-
January 7, 2019	January 6, 2029	698.45	-	-
October 19, 2022	October 18, 2032	2.00	50,000	1,55,000
February 5, 2024	February 4, 2034	3,326.00	1,87,500	-
February 6, 2024	February 5, 2034	3,236.00	40,000	-

(iv) The weighted average fair value of the options granted during the year on February 05, 2024 and February 06, 2024 is ₹ 1,168.58 and ₹ 1,152.29 respectively (March 31, 2023: ₹4,091.85). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included:

Grant Date	February 05, 2024		February 06, 2024	
	Vest 1	Vest 2	Vest 1	Vest 2
Vesting date	February 28, 2025	February 28, 2026	February 28, 2025	February 28, 2026
Volatility	35.02%	36.53%	35.02%	36.53%
Risk-Free rate of return	6.96%	6.97%	6.93%	6.95%
Exercise Price	3,326.00	3,326.00	3,236.00	3,236.00
Expected Life (Time to Maturity)	3.50	4.00	3.50	4.00
Dividend yield	0.33%	0.33%	0.33%	0.33%

The model inputs for options granted during the year ended March 31, 2023 included:

Grant Date	October 19, 2022			
	Vest 1	Vest 2	Vest 3	Vest 4
Vesting date	October 31, 2023	April 01, 2024	April 01, 2025	April 01, 2026
Volatility	38.07%	38.07%	37.88%	39.95%
Risk-Free rate of return	7.33%	7.33%	7.36%	7.37%
Exercise Price	2.00	2.00	2.00	2.00
Expected Life (Time to Maturity)	5.50	5.50	6.00	6.50
Dividend yield	0.79%	0.79%	0.79%	0.79%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Expenses arising from employee share based payment transaction recognised in the Statement of Profit and Loss as part of employee benefit expense for the year ended March 31, 2024 is ₹ 1.47 (March 31, 2023: ₹ 16.79). Also refer note 38.

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49. Related party transactions

Following are the name and relationship of related parties with whom Company have transactions/ balances:

a. Enterprises over which key management personnel and their relatives are able to exercise significant influence / control

Arvind Mafatlal Foundation Trust
Sri Sadguru Seva Sangh Trust
M/s Vigil Juris

b. Entity over which Company has joint control (i.e. joint venture)

Swarnim Gujarat Fluorspar Private Limited, India

c. Key Management personnel

Mr. Vishad P. Mafatlal - Chairman
Mr. Radhesh Welling - Managing Director (upto December 15, 2023)
Mr. Mohan M. Nambiar - Non-Independent Non-Executive Director
Mr. Pradip N. Kapadia - Independent Non-Executive Director
Mr. Sunil S. Lalbhai - Independent Non-Executive Director
Mr. Sudhir G. Mankad - Independent Non-Executive Director
Mr. Harish H. Engineer - Independent Non-Executive Director
Mr. Atul K. Srivastava - Independent Non-Executive Director
Mrs. Radhika V. Haribhakti - Independent Non- Executive Director
Mr. Ashok U. Sinha - Independent Non- Executive Director
Mr. Sujal A. Shah - Independent Non- Executive Director
Mrs. Apurva S. Purohit - Independent Non- Executive Director
Mr. Sudhir R. Deo - Non-Independent Non- Executive Director (w.e.f. September 28, 2023)

49.1 Disclosures in respect of significant transactions with related parties during the year:

Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Legal / Professional fees paid		
Vigil Juris	0.02	0.33
Donation		
Sri Sadguru Seva Sangh Trust	2.00	2.00
Arvind Mafatlal Foundation Trust	1.00	-
Managerial remuneration (Short Term Employee Benefit)#	13.42	25.05
Director Sitting fees and Commission*	3.34	3.40

Excludes provision for gratuity and compensated absences which are determined based on an actuarial valuation done on overall basis for the company and accordingly individual figure are not available.

* Commission payable to Independent / Non-Independent, Non-executive directors of ₹2.72 crores for the year ended March 31, 2024 is subject to approval of shareholders.

49.2 Disclosures of closing balances:

Transactions	As at March 31, 2024	As at March 31, 2023
Amount due to Directors		
Mr. Vishad P. Mafatlal	3.71	6.67
Mr. Radhesh R. Welling	0.47	4.45
Mr. Mohan M. Nambiar	0.28	0.28
Mr. Pradip N. Kapadia	0.22	0.28
Mr. Sunil S. Lalbhai	0.22	0.28
Mr. Sudhir G. Mankad	0.22	0.28
Mr. Harish H. Engineer	0.22	0.28
Mr. Atul K. Srivastava	0.34	0.34
Mrs. Radhika V. Haribhakti	0.22	0.28
Mr. Ashok U. Sinha	0.22	0.28
Mr. Sujal A. Shah	0.34	0.30
Mrs. Apurva S. Purohit	0.22	0.28
Mr. Sudhir R. Deo	0.22	-

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50. CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
i. Capital commitments for Property, Plant and Equipment:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	158.69	366.86
ii. Other commitments:		
Estimated amount of obligation on account of non-fulfillment of export commitments under various advance licenses	-	-

51. CONTINGENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts		
a. Income tax matters - Matters decided against the group in respect of which the group has preferred an appeal.	4.64	3.55
b. Excise duty matters	4.23	4.23
c. Sales-tax matters	0.88	0.87
d. Employee related matters	0.82	0.07
e. Goods and Service tax matters	0.83	0.83
f. Other Corporate guarantee / Bank guarantees	0.15	0.15

Note : It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

52. RESEARCH AND DEVELOPMENT EXPENDITURE

The details of research and development expenditure of ₹ 125.04 Crores (as at March 31, 2023 ₹ 36.39 Crores) included in the figures reported under notes 5A, 7 and 36 to 41 are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Expenditure	80.10	5.65
Revenue Expenditure	44.94	30.74
Total	**125.04**	**36.39**
The details of revenue expenditure incurred on research and development are as under :		
Salaries / Wages	22.06	16.45
Material / Consumable / Spares	7.07	6.83
Utilities	3.26	2.16
Other expenditure	4.72	3.38
Depreciation	7.83	1.92
	44.94	**30.74**

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53. Mafatlal Industries Limited was executing a project in Iraq when hostilities broke out between Iraq and Kuwait in 1990-91, resulting in suspension of project work. In view of the post war sanctions imposed by the United Nations and the Government of India, suspended operations could not be resumed. The customer's bankers have asked for extension of bank guarantees for advance payment and performance and the State Bank of India (SBI), in turn, had claimed that the funds deposited with them in respect of the aforesaid project are subject to lien which was subsequently released on alternate arrangements. In view of the continuing uncertain circumstances, the receipts and payments under the contracts, transferred to the Group pursuant to the sanctioned scheme of Mafatlal Industries Limited, continue to be carried forward and necessary adjustments would be made on the status of the project becoming clearer. (Refer note 13 and note 28)

54. Before transfer of assets to Sulakshana Securities Limited (SSL) by Mafatlal Industries Limited (MIL) pursuant to its sanctioned scheme of rehabilitation, MIL had initiated steps for revision in rent/recovery of expenses and filed legal proceedings for eviction of some of its tenants/ (now) ex-tenants who were occupying at that time some of the premises in its building at Nariman Point, Mumbai. Pending resolution of those legal cases, rent of ₹ Nil, previous year, ₹ Nil, (aggregate to date, ₹ 0.66 crores, as at March 31, 2023, ₹ 0.66 crores) and recovery of expenses, of ₹ Nil, previous year, ₹ Nil (aggregate to date, ₹ 0.42 crores, as at March 31, 2023 ₹ 0.42 crores), have not been accounted, on legal advice. The ex-tenants have filed Civil Revision Application and secured a stay from the Hon'ble Bombay High Court in April 2013 against the Order of the appeal bench of Hon'ble Small Causes Court awarding an increased amount to SSL. During the year 2014-15, pursuant to the directions of the Hon'ble Bombay High Court and the Undertakings provided by SSL, SSL received ₹ 6.56 crores deposited by the ex- tenants, which is subject to final disposal of the matter. SSL is liable to refund the amount if the final decision goes against it. Pending final decision on the matter, the aforesaid amount has been kept in Term deposit account and the interest thereon is not considered as an Income.

54 A Exceptional Item include:
Exceptional item for the year ended March 31, 2024 comprises gain of ₹ 52.13 crores on account of sale of surplus unused colony land situated at Surat (Gujarat).





55. Interests in other entities

a. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2024	As at March 31, 2023
Sulakshana Securities Limited - SSL	Lease rental of investment property	India	100%	100%
Navin Fluorine Advanced Sciences Limited - NFASL	Chemical Business	India	100%	100%
Manchester Organics Limited - MOL	Chemical Business	U.K	100%	100%
Navin Fluorine (Shanghai) Co. Ltd	Chemical Business	China	100%	100%
NFIL (UK) Limited	Chemical Business	U.K	100%	100%
NFIL (USA) Inc - Step down subsidiary	Chemical Business	USA	100%	100%

b. Interest in Joint Venture

Aggregate information of Joint Ventures that are not individually material:

Particulars	As at March 31, 2024	As at March 31, 2023
The Group's share of loss from operations	(0.01)	(0.01)
The Group's share of other comprehensive income	-	-
The Group's share of loss in total comprehensive loss	(0.01)	(0.01)

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying amount of the Group's interests in the Joint Ventures	0.74	0.75

There is no change in the group's ownership interest in Joint Ventures. There are no significant restrictions on the ability of Joint Ventures to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

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c. Additional disclosures required by Schedule III

Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2024:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
Parent								
Navin Fluorine International Limited	96.61%	2,301.79	86.94%	235.18	(7900.00%)	(1.58)	86.35%	233.60
Subsidiaries								
Indian								
Sulakshana Securities Limited	0.82%	19.53	1.80%	4.87	0.00%	-	1.80%	4.87
Navin Fluorine Advanced Sciences Limited	29.08%	692.88	12.65%	34.21	5200.00%	1.04	13.03%	35.25
Foreign								
Manchester Organics Limited	1.05%	25.14	(0.23%)	(0.61)	-	-	(0.23%)	(0.61)
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.19	0.01%	0.03	-	-	0.01%	0.03
NFIL (UK) Limited	2.56%	60.90	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
NFIL (USA) Inc	0.09%	2.10	0.20%	0.55	-	-	0.20%	0.55
Joint Ventures (as per equity method)								
Indian								
Swarnim Gujarat Fluorspar Private Limited	0.03%	0.74	0.00%	(0.01)	-	-	0.00%	(0.01)
Sub Total	**130.25%**	**3,103.27**	**101.36%**	**274.20**	**(2700.00%)**	**(0.54)**	**101.15%**	**273.66**
Consolidation adjustments	(30.25%)	(720.60)	(1.36%)	(3.70)	2800.00%	0.56	(1.15%)	(3.14)
March 31, 2024	**100.00%**	**2,382.67**	**100.00%**	**270.50**	**100.00%**	**0.02**	**100.00%**	**270.52**

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Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2023:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
Parent								
Navin Fluorine International Limited	97.99%	2,140.99	83.29%	312.49	38.24%	0.78	83.05%	313.27
Subsidiaries								
Indian								
Sulakshana Securities Limited	0.67%	14.66	1.03%	3.88	0.00%	-	1.03%	3.88
Navin Fluorine Advanced Sciences Limited	30.10%	657.63	18.03%	67.63	(0.49%)	(0.01)	17.93%	67.62
Foreign								
Manchester Organics Limited	1.14%	24.93	(0.71%)	(2.67)	-	-	(0.71%)	(2.67)
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.16	0.01%	0.04	-	-	0.01%	0.04
NFIL (UK) Limited	2.79%	60.87	(0.01%)	(0.04)	-	-	(0.01%)	(0.04)
NFIL (USA) Inc	0.07%	1.53	0.16%	0.59	-	-	0.16%	0.59
Joint Ventures (as per equity method)								
Indian								
Swarnim Gujarat Fluorspar Private Limited	0.03%	0.75	0.00%	(0.01)	-	-	0.00%	(0.01)
Sub Total	**132.80%**	**2,901.52**	**101.80%**	**381.91**	**37.75%**	**0.77**	**101.46%**	**382.68**
Consolidation adjustments	(32.80%)	(716.57)	(1.80%)	(6.73)	62.25%	1.27	(1.46%)	(5.46)
March 31, 2023	**100.00%**	**2,184.95**	**100.00%**	**375.18**	**100.00%**	**2.04**	**100.00%**	**377.22**

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56. The Board of Directors has recommended final dividend of ₹ 7/- per share on the face value of ₹ 2.00 each (350%), subject to approval by the Members at the forthcoming Annual General Meeting of the Company.

57. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i. **Details of benami property held**

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii **Borrowing secured against current assets**

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

iii **Wilful defaulter**

None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv **Relationship with struck off companies**

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956

v **Compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vi **Compliance with approved scheme(s) of arrangements**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii **Utilisation of borrowed funds and share premium**

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii **Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix **Details of crypto currency or virtual currency**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

x **Valuation of PP&E, intangible asset and investment property**

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

xi **Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes 5A and 6 to the financial statements, are held in the name of the Group.

xii **Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

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58. Summary of other accounting policies:

This note provides a list of other accounting policies adopted in the preparation of these Consolidated financial statements to the extent they have not already been disclosed in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation:

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which consists of Chairman and Managing Director. The CODM assess the financial performance and position of the Company and makes strategic decisions. See Note 43 for segment information presented.

c) Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Consolidated Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Consolidated Statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

d) Leases

Group's material accounting policies about Leases as a lessee are explained in Note 2(d).

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

e) Property, Plant and Equipment

Company's material accounting policies about Property, Plant and Equipment are explained in Note 2(h).

All other repairs and maintenance expenses (Subsequent costs) of which it is not probable that future economic benefits associated with the item will flow to the group are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

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f) Intangible assets

Company's material accounting policies about intangible assets are explained in Note 2(i).

Computer software

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

They are amortised over a period of 3 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

g) Investment Properties

Company's material accounting policies about Investment Properties are explained in Note 2(j).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

h) Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset/cash generating unit exceeds its recoverable amount. The recoverable amount of the assets/ cash generating unit is fair value less costs of disposal or value in use, whichever is higher.

i) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of each entities of the Group are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian Rupees ('₹'), which is the functional and presentation currency of the Company.

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(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

(iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

A. assets and liabilities are translated at the closing rate at the date of that Balance Sheet.

B. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction).

C. all resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Consolidated Statement of Profit and Loss, as part of the gains / (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

j) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

k) Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Pro elopment costs of products are also charged to the Consolidated S less a product's technical feasibility has been established, in w pitalised. The amount capitalised comprises expenditure th located on a reasonable and consistent basis for creating, pl ready for its intended use. Property, plant & equipment ent are capitalised and depreciated in accordance with the nt & equipment.

for

Price Waterhouse Chartered Accountants LLP
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NAVIN FLUORINE INTERNATIONAL LTD.

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 07, 2024

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

A. P. Ganatra
Chief Financial Officer

N. B. Mankad
Company Secretary

Mumbai
Date : May 07, 2024

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of companies (Accounts) Rules,2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A" subsidiaries

Sr. No.	Name of the Subsidiary Company	Reporting period for the subsidiary	% of share	Reporting currency and Exchange rate	Share capital	Other Equity	Total assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Dividend
1	Sulakshana Securities Limited	April 01, 2023 - March 31, 2024	100%	INR	0.15	19.38	34.93	15.40	4.19	0.00	6.11	1.24	4.87	-
2	Manchester Organics Limited	April 01, 2023 - March 31, 2024	*100%	GBP 1 GBP = INR 105.0325	0.00	25.15	42.93	18.62	-	25.55	(1.86)	(0.98)	(0.88)	-
3	NFIL (UK) Limited	April 01, 2023 - March 31, 2024	100%	GBP 1 GBP = INR 105.0325	67.75	1.35	69.12	0.03	67.30	0.00	(0.02)	0.00	(0.02)	-
4	NFIL (USA) Inc	April 01, 2023 - March 31, 2024	**100%	USD 1 USD = INR 83.4050	0.83	1.27	2.13	0.03	-	10.26	0.71	0.17	0.55	-
5	Navin Fluorine (Shanghai) Co. Ltd	April 01, 2023 - March 31, 2024	100%	RMB 1 RMB = INR 11.4825	6.49	(6.30)	0.21	2.30	-	1.30	0.03	0.00	0.03	-
6	Navin Fluorine Advanced Sciences Ltd	April 01, 2023 - March 31, 2024	100%	INR	590.48	102.40	2,506.50	1,813.62	30.03	762.73	41.41	7.20	34.21	-

The figures reported above are without considering elimination

* Navin Fluorine International Limited holds 51% and NFIL (UK) Limited holds 49% in Manchester Organics Limited

** NFIL (UK) Limited holds 100% in NFIL (USA) Inc

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

Part "B" Joint Ventures

Statement pursuant to section 129 (3) of the companies Act 2013 related to Joint Ventures

Sr. No.	Name of the Joint Venture/Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures/Associate held by the Company on the year end			Net worth attributable to share as per latest audited Balance	Profit/Loss for the year	
			No. of Shares	Amount of investment in Joint Venture	Extend of %		Considered in Consolidation	Not Considered in Consolidation
1	Swarnim Gujarat Fluorspar Private Limited – SGFPL	March 31, 2024	11,82,500	1.18	49.48%	0.74	(0.01)	-

1 . Names of joint ventures which are yet to commence operation : Swarnim Gujarat Fluorspar Private Limited are yet to commence operations

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Navin Fluorine International Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Navin Fluorine International Limited (hereinafter referred to as the "Holding Company") and its branch and subsidiaries (Holding Company and its branch and subsidiaries, including a step down subsidiary together referred to as "the Group") and joint ventures (refer Note 1B to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate companies and joint venture as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 and 15 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of carrying value of: a) Goodwill relating to acquisition of Manchester Organics Limited, U.K.; and b) Identified Property, Plant and Equipment (PP&E) relating to Dewas Unit (Refer to Note 2(j), 2(k), 5A and 7 in the consolidated financial statements) The carrying value of the goodwill in relation to the acquisitions of the aforesaid subsidiary and the property plant and equipment (PP&E) relating to the group's manufacturing facility at Dewas as at March 31, 2023 is Rs. 72.85 crore and Rs. 182.87 crores respectively, which in aggregate represents approximately 7.25% of the total assets of the Group. The Group carries the Goodwill at cost less any accumulated impairment losses, if any, and PP&E at cost less accumulated depreciation and impairment losses, if any. The Group reviews their carrying values at every balance sheet date and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', where there is any indication of impairment to the carrying value. Management estimates recoverable amount of the Cash Generating Unit (CGU) to which the Goodwill and PP&E belong, based on discounted cash flows, requiring judgements in respect of certain key inputs like determining an appropriate discount rate, future cash flows and terminal growth rate. We have considered this to be a key audit matter as the balances are significant to the consolidated balance sheet and significant management judgement is involved in calculation of recoverable amount for the purpose of impairment testing.	**Our procedures included the following** • Understood the management process for impairment assessment and also evaluated the design and tested the operating effectiveness of the group's internal controls surrounding such assessment. • Reviewed the Group's accounting policy in respect of impairment assessment of goodwill and PP&E. • Assessed whether the Group's determination of CGUs was consistent with our knowledge of the Group's operations. • Compared the previous year cash flow forecasts made by the management to actual results to assess the historical accuracy of forecasting. • To assess the reasonableness of the key assumptions used, in particular those relating to discount rates, cash flow forecasts and terminal growth rates applied: – Engaged with auditors' valuation experts to determine a range of acceptable discount rates and terminal growth rates, with reference to valuations of similar companies and other relevant external data. – Performed sensitivity analysis on the forecasts by varying the key assumptions within a foreseeable range. – Tested the cash flow forecasts used and assessed whether those were consistent with our understanding of the business. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements.



- Based on the above procedures performed, we noted that the management's assessment of the carrying value of the Goodwill and PP&E is reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 and 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



8. The respective Board of Directors of the companies included in the Group and joint venture are responsible for overseeing the financial reporting process of the Group and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial statements of one subsidiary (i.e. Sulakshana Securities Limited), whose financial statements reflect total assets of Rs. 30.77 crore and net assets of Rs. 14.66 crore as at March 31, 2023, total revenue of Rs. 6.42 crore, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 3.88 crore and net cash flows amounting to Rs. 0.90 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

15. The financial statements of one subsidiary [i.e. Navin Fluorine (Shanghai) Co. Ltd] and one step down subsidiary [i.e. NFIL USA Inc.] located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 1.75 crore and net assets of Rs. 1.69 crore as at March 31, 2023, total revenue of Rs. 10.95 crore, total comprehensive income (comprising of income and other comprehensive income) of Rs. 0.63 crore and net cash flows amounting to Rs. 0.82 crore for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited



by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiary and step down subsidiary located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary and step down subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

16. We did not audit the financial statements of two subsidiaries [i.e. Manchester Organics Limited and NFIL (UK) Ltd.] and one Branch [Zug Branch] located outside India whose financial statements reflect total assets of Rs. 104.45 crores and net assets of Rs. 85.80 crores as at March 31, 2023, total revenue of Rs. 45.03 crores, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. 2.71 crores and net cash flows amounting to Rs. 0.29 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss of Rs. 0.01 crores for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these branch, subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

17. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

18. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies to whom CARO 2020 is applicable, which are included in these Consolidated Financial Statements.

    The statutory audit report of Swarnim Gujarat Fluorspar Private Limited, a joint venture of the Holding Company has not been issued until the date of this report. Accordingly, no comments for the said joint venture have been included for the purpose of reporting under this clause.

19. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 51 to the consolidated financial statements.

ii. The Group and its joint venture have long-term contracts as at March 31, 2023 for which there were no material foreseeable losses. The Group did not have any long-term derivative contracts as at March 31, 2023.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign



entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

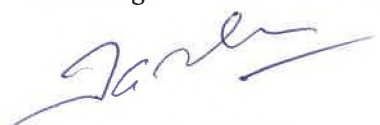
(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company, its subsidiary companies and joint venture, is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group, joint venture only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

20. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Jitendra Mirchandani
Partners
Membership Number: 048125
UDIN: 23048125BGWQTP4151
Mumbai
May 13, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 19(f) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Navin Fluorine International Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on, "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



Annexure A to Independent Auditor's Report

Referred to in paragraph 19(f) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2023

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



Annexure A to Independent Auditor's Report

Referred to in paragraph 19(f) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2023
Page 11 of 11

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Jeetendra Mirchandani
Partner
Membership Number: 048125
UDIN: 23048125BGWQTP4151
Mumbai
May 13, 2023

Navin Fluorine International Limited
Consolidated Balance sheet as at March 31, 2023
Amount Rs. in crores unless otherwise stated

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
a. Property, plant and equipment	5A	1,471.83	377.55
b. Right-of-use assets	5B	33.09	37.52
c. Capital work-in-progress	5C	278.58	742.10
d. Investment properties	6	51.65	52.78
e. Goodwill	7	87.76	87.76
f. Other intangible assets	7	1.55	0.49
g. Financial assets			
i. Investment accounted for using the equity method	8	0.75	0.76
ii. Investments	9	11.95	13.16
iii. Loans	10	0.32	(0.00)
iv. Other financial assets	11	27.76	19.12
h. Non-current tax assets (net)	12	31.41	28.98
i. Other non-current assets	13	66.47	5.99
Total non-current assets		**2,063.12**	**1,366.21**
Current assets			
a. Inventories	14	468.12	257.54
b. Financial assets			
i. Investments	15	31.11	104.19
ii. Trade receivables	16	561.52	357.66
iii. Cash and cash equivalents	17A	14.47	75.74
iv. Bank balances other than (iii) above	17B	20.34	20.09
v. Loans	18	-	0.51
vi. Other financial assets	19	7.88	5.86
c. Other current assets	20	361.01	197.68
		1,464.45	**1,019.27**
d. Assets classified as held for sale	21	1.72	-
Total current assets		**1,466.17**	**1,019.27**
Total assets		**3,529.29**	**2,385.48**
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	22	9.91	9.91
b. Other equity			
i. Reserves and surplus	23A	2,019.18	1,679.72
ii. Other reserves	23B	155.86	154.59
Total equity		**2,184.95**	**1,844.22**
Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	24	753.13	100.00
ii. Lease Liabilities	25	6.42	10.04
b. Provisions	26	15.09	13.68
c. Deferred tax liabilities (Net)	27	34.75	20.14
d. Other non-current liabilities	28	13.47	13.49
Total non-current liabilities		**822.86**	**157.35**
Current liabilities			
a. Financial liabilities			
i. Borrowings	24	95.52	4.47
ii. Lease Liabilities	29	5.73	6.31
iii. Trade payables	30		
a. Total outstanding dues of micro enterprises and small		40.63	14.14
b. Total outstanding dues other than (iii) (a) above		202.85	132.39
iv. Other financial liabilities	31	101.23	168.64
b. Contract liabilities		5.38	1.25
c. Provisions	32	7.96	5.40
d. Current tax liabilities (Net)	12	8.23	9.24
e. Other current liabilities	33	53.95	42.07
Total current liabilities		**521.48**	**383.91**
Total liabilities		**1,344.34**	**541.26**
Total equity and liabilities		**3,529.29**	**2,385.48**
Significant Accounting Policies	2		

Price Waterhouse Chartered Accountants LLP PIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Balance Sheet as at March 31, 2023

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 13, 2023

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

R. R. Welling (DIN:07279004)
Managing Director

N. B. Mankad
Company Secretary

A. P. Ganatra
Chief Financial Officer

Mumbai
Date : May 13, 2023

Navin Fluorine International Limited

Consolidated Statement of Profit and Loss for the year ended 31st March 2023

Amount Rs. in crores unless otherwise stated

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from operations	34	2,077.40	1,453.36
Other Income	35	35.73	39.22
Total Income		**2,113.13**	**1,492.58**
EXPENSES			
Cost of materials consumed	36	905.72	650.49
Purchases of stock-in-trade		19.66	25.40
Changes in Inventories of finished goods, work in progress and stock-in-trade	37	(29.37)	(10.26)
Employee benefits expense	38	249.41	181.53
Finance costs	39	27.52	1.90
Depreciation and amortisation expense	40	62.64	47.90
Other expenses	41	381.67	251.39
Total Expenses		**1,617.25**	**1,148.35**
Profit before tax		**495.88**	**344.23**
Tax expenses			
(1) Current tax			
(a) for the year	42	106.10	85.04
(b) for earlier year	42	-	(3.28)
(2) Deferred tax	27.1	14.59	(0.61)
Total Tax expenses		**120.69**	**81.15**
Profit for the year		**375.19**	**263.08**
Share of (loss) from joint ventures (net)		(0.01)	(0.01)
Total profit for the year		**375.18**	**263.07**
Other comprehensive income			
(A) Items that will not be reclassified to profit and loss			
(i) Remeasurement loss of the defined benefit obligations		1.03	(1.09)
(ii) Current tax relating to the above		(0.26)	0.26
Total (A)		**0.77**	**(0.83)**
(B) Items that may be reclassified to profit and loss			
(i) Exchange differences on translation of foreign operations		1.27	(0.40)
Total (B)		**1.27**	**(0.40)**
Total other comprehensive income (A+B)		**2.04**	**(1.23)**
Total comprehensive income for the year		**377.22**	**261.84**
Profit is attributable to:			
Owners of the Company		375.18	263.07
Other Comprehensive Income attributable to:			
Owners of the Company		2.04	(1.23)
Total Comprehensive Income attributable to:			
Owners of the Company		377.22	261.84
Earnings per equity share (of face value of ₹ 2 each)	44		
(1) Basic (in ₹)		75.70	53.12
(2) Diluted (in ₹)		75.44	53.08
Significant Accounting Policies	2		

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes





Navin Fluorine International Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 13, 2023

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

R. R. Welling (DIN:07279004)
Managing Director

N. B. Mankad
Company Secretary

A. P. Ganatra
Chief Financial Officer

Mumbai
Date : May 13, 2023

Navin Fluorine International Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2023
(Amount Rs. in crores unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from operating activities		
Profit before tax	495.88	344.23
Adjustments for:		
Depreciation and amortisation expense	62.64	47.90
(Gain)/Loss on sale / disposal of property, plant and equipment (net)	(1.97)	0.47
(Gain) on sale of investments (net)	(9.04)	(0.09)
Changes in fair value of financial assets at fair value through profit or loss	(0.97)	(3.18)
Employee Share-based payment expense	16.79	-
Finance Costs	27.52	1.90
Interest income	(3.03)	(16.66)
Lease rental income on investment properties	(14.45)	(11.59)
Net Loss on foreign currency transactions	2.06	0.21
Dividend Income	(0.03)	(0.02)
Excess provision/ liabilities written back	(0.50)	-
Provision for doubtful debts	2.03	0.07
Operating profit before changes in operating assets and liabilities	**576.93**	**363.24**
Adjustments for:		
(Increase) in trade receivables	(206.65)	(74.14)
(Increase) in inventories	(210.58)	(77.19)
(Increase) in other assets	(233.56)	(101.06)
Increase in trade and other payables	120.05	42.03
Cash generated from operations	**46.19**	**152.88**
Income taxes paid (net of refunds)	(109.78)	(78.12)
Net cash (used in) / generated from operating activities	**(63.59)**	**74.76**
Cash flows from investing activities		
Payments for property, plant and equipment	(757.71)	(578.89)
Proceeds from sale of property, plant and equipment	2.18	3.05
(Increase) / Decrease in deposits with banks	(4.41)	391.48
Payments for purchase of investments	(1,261.86)	(452.49)
Proceeds from sale of investments	1,346.16	436.72
Lease rental income on investment properties	16.96	9.88
Dividend received	0.03	0.02
Interest received	3.03	17.86
Net cash used in investing activities	**(655.62)**	**(172.37)**
Cash flows from financing activities		
Principal elements of lease payments	(5.67)	(6.89)
Calls in arrears (including securities premium)	-	(0.23)
Proceeds from allotment of Employee Stock Option Plan (ESOP)	1.23	2.73
Proceeds of long term borrowings	653.13	100.00
Proceeds of other borrowings (net)	91.05	1.95
Dividend paid	(54.28)	(54.16)
Interest paid	(27.52)	(1.90)
Net cash generated from financing activities	**657.94**	**41.50**
Net decrease in cash and cash equivalents	**(61.27)**	**(56.11)**
Cash and cash equivalents at the beginning of the year	75.74	131.85
Cash and cash equivalents at the end of the year	**14.47**	**75.74**
Reconcillation of cash and cash equivalents as per the cash flow statement		
As per Balance sheet - Note 16A	14.47	75.74
As per Cash flow statement	**14.47**	**75.74**

Notes:
(1) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Statement of Cash Flows" as notified under Companies (Accounts) Rules, 2015.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Statement of Cash flows for the year ended March 31, 2023

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 13, 2023

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

R. R. Welling (DIN:07279004)
Managing Director

N. B. Mankad
Company Secretary

A. P. Ganatra
Chief Financial Officer

Mumbai
Date : May 13, 2023

Navin Fluorine International Limited
Consolidated Statement of changes in equity for the year ended March 31, 2023
(Amount ₹ in crores unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at March 31, 2021	**9.90**
Shares issued on exercise of employee stock options during the year	0.01
Less: Calls in arrears	-
Balance as at March 31, 2022	**9.91**
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
Balance as at March 31, 2023	**9.91**

*Numbers are below rounding off

B. Other Equity

Particulars	Reserves & Surplus				Other Reserves					Total other equity
	Securities Premium Reserve	General Reserve	Share Options Outstanding Account	Retained Earnings	Capital Reserve 1	Capital Reserve 2	Capital redemption reserve	Call in arrears / share options pending for allotment	Foreign currency translation reserve	
Balance as at March 31, 2021	**21.72**	**73.33**	**2.36**	**1,371.39**	**80.35**	**70.35**	**0.34**	**0.24**	**3.94**	**1,624.02**
Profit for the year	-	-	-	263.07	-	-	-	-		263.07
Other comprehensive income for the year, net of income tax	-	-	-	(0.83)	-	-	-	-	(0.40)	(1.23)
Total comprehensive income for the year	**-**	**-**	**-**	**262.24**	**-**	**-**	**-**	**-**	**(0.40)**	**261.84**
Shares issued on exercise of employee stock options during the year	3.75	-	-	-	-	-	-	-		3.75
Recognition of share-based payments (Net)	-	-	(1.06)	-	-	-	-	-		(1.06)
Calls in arrears/share options received during the year	-	-	-	-	-	-	-	(0.23)		(0.23)
Payment of dividends (including tax)	-	-	-	(54.48)	-	-	-	-		(54.48)
Reversal of excess provision of Dividend Distribution Tax				0.47						0.47
Balance as at March 31, 2022	**25.47**	**73.33**	**1.30**	**1,579.62**	**80.35**	**70.35**	**0.34**	**0.01**	**3.54**	**1,834.31**
Profit for the year	-	-	-	375.18	-	-	-	-	-	375.18
Other comprehensive income for the year, net of income tax	-	-	-	0.77	-	-	-	-	1.27	2.04
Total comprehensive income for the year	**-**	**-**	**-**	**375.95**	**-**	**-**	**-**	**-**	**1.27**	**377.22**
Shares issued on exercise of employee stock options during the year	1.71	-	-	-	-	-	-	-	-	1.71
Recognition of share-based payments (Net)	-	-	16.32	-	-	-	-	-	-	16.32
Payment of dividends (including tax)	-	-	-	(54.52)	-	-	-	-	-	(54.52)
Balance as at March 31, 2023	**27.18**	**73.33**	**17.62**	**1,901.05**	**80.35**	**70.35**	**0.34**	**0.01**	**4.81**	**2,175.04**

The above Consolidated Statement of changes in equity should be read in conjunction with the accompanying notes.

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NAVIN FLUORINE INTERNATIONAL LTD.

Navin Fluorine International Limited
Consolidated Statement of changes in equity for the year ended March 31, 2023

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 13, 2023

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

R. R. Welling (DIN:07279004)
Managing Director

N. B. Mankad
Company Secretary

A. P. Ganatra
Chief Financial Officer

Mumbai
Date : May 13, 2023

1A. Corporate Information

Navin Fluorine International Limited ("the Company") is a public limited company, incorporated under the provisions of the Companies Act, 1956. Its registered office is located at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400069.

The Company and its subsidiary Companies are referred to as the Group here under. The Group primarily focuses on fluorine chemistry - producing refrigeration gases, inorganic fluorides, specialty organofluorines and offers Contract Research and Manufacturing Services.

1B. Basis of Consolidation

Name of the Company	Country of Incorporation	Proportion of Ownership	
		As at March 31, 2023	As at March 31, 2022
Subsidiaries			
Sulakshana Securities Limited	India	100%	100%
Navin Fluorine Advanced Sciences Limited	India	100%	100%
NFIL (UK) Limited	UK	100%	100%
Manchester Organics Limited	UK	100%	100%
Navin Fluorine (Shanghai) Co. Limited	China	100%	100%
Step-down Subsidiary			
NFIL USA, Inc.	USA	100%	100%
Joint Ventures (JV)			
Swarnim Gujarat Fluorspar Private Limited (JV)	India	49.48%	49.48%

2. Significant Accounting Policies

This note provide a list of the significant accounting policies adopted by the Group in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Consolidated Financial Statements are for the group consisting of the Company and its subsidiary companies.

a) Basis of Preparation

(i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

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(ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the following:
- certain financial assets and liabilities (including derivative instruments) and contingent consideration are measured at fair value.
- defined benefit plans – plan assets are measured at fair value.
- share-based payments are measured at fair value.

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022. These amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future reporting periods.

(iv) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

(v) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Principles of consolidation and equity accounting

(i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

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Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

(ii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in Joint Ventures.

Interest in Joint Venture Company are accounted for using the equity method of accounting [see (iii) below], after initially being recognised at cost in the Consolidated Financial Statements.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate and joint venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (l) below.

(iv) Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which consists of Chairman and Managing Director. The CODM assess the financial performance and position of the Company and makes strategic decisions. See Note 39 for segment information presented.

d) Revenue recognition

(i) Sale of Goods

Revenue is generated primarily from sale of chemicals. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of lading as per the terms of contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

A contract liability is the obligation to transfer goods to the customer for which the Group has received consideration from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(ii) Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

A contract liability is the obligation to render services to the customer for which the Group has received consideration from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(iii) Export Incentives

Export incentives are recognised for based on the eligibility and when there is no uncertainty in receiving the same.

e) Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Consolidated Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Consolidated Statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

f) Leases

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

g) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities

(ii) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Deferred tax liabilities are not recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

h) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.





(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plan such as gratuity.

(b) defined contribution plans such as family pension fund, superannuation fund and provident fund.

(a) Defined benefit plan

Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the Consolidated Statement of Changes in Equity in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement of Profit and Loss as past service cost.

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(b) Defined contribution plans

The Group contributes towards family pension fund, superannuation fund and provident fund for certain employees which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Provident fund liability

Provident Fund for certain employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognized by the Income Tax authorities where other entities are also the participant. Periodic contributions to the Fund are charged to the Consolidated Statement of Profit and Loss and when services are rendered by the employees. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

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i) Employee share-based payment arrangements

Eligible employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to eligible employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

j) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less deprecation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Consolidated Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Consolidated Statement of Profit and Loss.

Property, plant and equipment which are not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. However, for below assets, the useful lives are higher or lower than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. However, for below assets, mentioned in table below, where useful life is different than those prescribed in Schedule II. The estimated useful life of the assets, mentioned in table below, has been assessed based on external technical evaluation which considered the nature of the assets, estimated usage of the assets, the operating condition of the assets, anticipated technological changes, manufacturer warranties, experience of the management and group companies, maintenance support, etc:

Assets	Useful Life
Plant and Machinery	5-30 years
Building	50 years
Laboratory Equipments	4, 5 and 10 years
Computers	3 and 5 years
Other Equipments	5,6,8,10 and 12 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

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k) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiary companies is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of Goodwill relating to the entity sold.

(ii) Computer software

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

Computer Software which are capitalised are amortised over a period of 3 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

l) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using straight line method over their useful lives specified in Schedule II to the Companies Act, 2013.

m) Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset/cash generating unit exceeds its recoverable amount. The recoverable amount of the assets/ cash generating unit is fair value less costs of disposal or value in use, whichever is higher. A previously recognised impairment loss is reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

n) Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on weighted average basis. Cost includes all charges in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

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o) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of each entities of the Group are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian Rupees ('₹'), which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

(iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities are translated at the closing rate at the date of that Balance Sheet.

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction).

c) all resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Consolidated Statement of Profit and Loss, as part of the gains / (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

p) Cash and Cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

q) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Consolidated Statement of Profit and Loss as other income/expense.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

t) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred..

u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v) Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant & equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

w) Provisions and contingencies

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

x) Investment in associate and joint ventures

Investments in associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Consolidated Statement of Profit and Loss.

y) Financial Instruments

Initial recognition

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Consolidated Statement of Profit and Loss.

a. Investment and other financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Consolidated Statement of Profit and Loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Consolidated Statement of Profit and Loss or other comprehensive income.

Subsequent measurement

Debt Instruments

Subsequent measurement of debt instruments depends on the Group business model for managing the assets and cash flows characteristic. There are three measurement categories into which the group classifies its debt instruments.

i. **Amortised Cost:** Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii. **Fair value through other comprehensive Income (FVOCI):** Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Changes in fair value of instrument is taken to other comprehensive income which are reclassified to the Consolidated Statement of Profit and Loss.

iii. **Fair Value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments

All investment in equity instruments other than subsidiary companies, associate and joint venture companies are measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Consolidated Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Consolidated Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Consolidated Statement of Profit and Loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition of financial assets

A financial assets is de-recognised only when

- The Group has transferred the right to receive cash flows from the financial assets.
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such case, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Consolidated Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

b. Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Consolidated Statement of Profit and Loss.

De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires. An instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(z) Exceptional items

If the management believes that losses are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

3. Rounding of amounts

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

4. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgements are:

(a)Estimation of current tax expense and current tax payable [Refer note:42]
(b)Estimated fair value of unlisted equity securities. [Refer note:47.2]
(c) Useful lives of property, plant and equipment and intangible assets. [Refer note:5A & 7]
(d)Estimation of Defined benefits plan [Refer note:46]
(e)Estimation of contingent liabilities [Refer note:51]
(f) Impairment of trade receivables [Refer note:47.5]

5A. PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

I. Gross Block	Freehold land	Buildings	Office Equipment	Vehicles	Plant and machinery	Furniture and Fixture	Total
Balance as at April 1, 2021	0.37	73.47	15.84	2.32	387.01	9.19	488.20
Additions	-	14.65	1.63	1.04	44.24	5.19	66.75
Disposals/Adjustments	-	(2.60)	(0.01)	(0.19)	(2.59)	(1.85)	(7.24)
Effect of Foreign currency exchange difference	-	-	(0.01)	-	(0.25)	*	(0.26)
Balance as at March 31, 2022	**0.37**	**85.52**	**17.45**	**3.17**	**428.41**	**12.53**	**547.45**
II. Accumulated depreciation							
Balance as at April 1, 2021	-	12.29	5.09	1.15	112.11	3.91	134.55
Depreciation expense for the year	-	2.22	1.80	0.34	33.63	1.18	39.17
Disposals/Adjustments	-	(0.03)	*	(0.17)	(1.80)	(1.73)	(3.73)
Effect of Foreign currency exchange difference	-	-	(0.01)	-	(0.08)	*	(0.09)
Balance as at March 31, 2022	**-**	**14.48**	**6.88**	**1.32**	**143.86**	**3.36**	**169.90**
Net block (I-II)							
Balance as at March 31, 2022	**0.37**	**71.04**	**10.57**	**1.85**	**284.55**	**9.17**	**377.55**

I. Gross Block	Freehold land	Buildings	Office Equipment	Vehicles	Plant and machinery	Furniture and Fixture	Total
Balance as at April 1, 2022	0.37	85.52	17.45	3.17	428.41	12.53	547.45
Additions	-	135.33	6.76	-	1,003.17	6.22	1,151.48
Assets included in a disposal group classified as held for sale		(2.70)	-	-	-	-	(2.70)
Disposals/Adjustments	-	-	(0.05)	-	(1.24)	-	(1.29)
Effect of Foreign currency exchange difference	-	-	0.02	-	0.21	-	0.23
Balance as at March 31, 2023	**0.37**	**218.15**	**24.18**	**3.17**	**1,430.55**	**18.75**	**1,695.17**
II. Accumulated depreciation							
Balance as at April 1, 2022	-	14.48	6.88	1.32	143.86	3.36	169.90
Depreciation expense for the year	-	3.33	2.34	0.40	47.35	1.93	55.35
Assets included in a disposal group classified as held for sale	-	(0.98)	-	-	-	-	(0.98)
Disposals/Adjustments	-	-	(0.03)	-	(1.05)	-	(1.08)
Effect of Foreign currency exchange difference	-	-	0.01	-	0.14	-	0.15
Balance as at March 31, 2023	**-**	**16.83**	**9.20**	**1.72**	**190.30**	**5.29**	**223.34**
Net block (I-II)							
Balance as at March 31, 2023	**0.37**	**201.32**	**14.98**	**1.45**	**1,240.25**	**13.46**	**1,471.83**

* Numbers are below rounding off

Note:

i) Refer note 50 for details of Capital commitment relating to Property, plant and equipment.

ii) Refer note 24 for information on charge on Property, plant and equipement as collateral security by the group.

iii) Property, plant and equipment includes gross amount of Rs. 430.18 crores (March 31, 2022: Nil) for capex associated with a dedicated supply contract meeting the criteria of operating lease under Ind AS 116.

iv) The Group has revised the useful life of certain assets during the year based on external technical evaluation. Consequently, the depreciation charge for current year is lower by Rs. 20.38 crores. There will be similar impact in future years.

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5B. Right-of-use assets

This note provides information for leases where the Group is a lessee. The Group leases various Premises, Vehicles and Plant and machinery.

Description	Premises	Vehicles	Plant and machinery	Leasehold Land	Total
I. Gross Block					
Balance as at April 01, 2021	25.72	2.27	2.94	24.33	55.26
Addition	0.86	-	-	-	0.86
Disposals/Adjustments	(3.95)	(0.71)	(0.51)	-	(5.17)
Effects of Foreign currency	-	-	0.10	-	0.10
Balance as at March 31, 2022	**22.63**	**1.56**	**2.53**	**24.33**	**51.05**
II. Accumulated depreciation					
Balance as at April 01, 2021	6.90	1.19	1.11	2.06	11.26
Depreciation expense for the year	6.31	0.44	0.43	*	7.18
Disposals/Adjustments	(3.95)	(0.71)	(0.50)	0.24	(4.92)
Effects of Foreign currency	-	-	0.01	-	0.01
Balance as at March 31, 2022	**9.26**	**0.92**	**1.05**	**2.30**	**13.53**
Net block (I-II)					
Balance as at March 31, 2022	**13.37**	**0.64**	**1.48**	**22.03**	**37.52**

Description	Premises	Vehicles	Plant and machinery	Leasehold Land	Total
I. Gross Block					
Balance as at April 01, 2022	22.63	1.56	2.53	24.33	51.05
Addition	-	2.12	-	-	2.12
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	-	(0.65)
Effects of Foreign currency	-	-	0.04	-	0.04
Balance as at March 31, 2023	**22.47**	**3.54**	**2.22**	**24.33**	**52.56**
II. Accumulated depreciation					
Balance as at April 01, 2022	9.26	0.92	1.05	2.30	13.53
Depreciation expense for the year	5.56	0.56	0.20	(0.43)	5.89
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	0.69	0.04
Effects of Foreign currency	-	-	0.01	-	0.01
Balance as at March 31, 2023	**14.66**	**1.34**	**0.91**	**2.56**	**19.47**
Net block (I-II)					
Balance as at March 31, 2023	**7.81**	**2.20**	**1.31**	**21.77**	**33.09**

* Numbers are below rounding off

5C. CAPITAL WORK-IN PROGRESS

(a)	Description	Total
	Capital work-in progress	
	Balance as at April 1, 2021	**94.87**
	Addition	708.60
	Disposals/Adjustments/Transfers	(61.37)
	Balance as at March 31, 2022	**742.10**
	Addition	697.44
	Disposals/Adjustments/Transfers	(1,160.96)
	Balance as at March 31, 2023	**278.58**

(b) Ageing of CWIP

		As at March 31, 2023				
		Amounts in capital work-in-progress for				
		Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i)	Projects in Progress	277.22	1.36	-	-	278.58
ii)	Projects in temporarily suspended	-	-	-	-	-
Total		**277.22**	**1.36**	**-**	**-**	**278.58**

		As at March 31, 2022				
		Amounts in capital work-in-progress for				
		Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i)	Projects in Progress	680.72	61.33	0.05	-	742.10
ii)	Projects in temporarily suspended	-	-	-	-	-
Total		**680.72**	**61.33**	**0.05**	**-**	**742.10**

c) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

		F.Y. 2022-23				
		To be completed in				
	Particulars	**Less than one year**	**1 – 2 years**	**2 – 3 years**	**More than 3 years**	**Total**
i)	Projects in Progress	28.40	-	-	-	28.40

		F.Y. 2021-22				
		To be completed in				
	Particulars	**Less than one year**	**1 – 2 years**	**2 – 3 years**	**More than 3 years**	**Total**
i)	Projects in Progress	720.51	-	-	-	720.51

Note: In previous year, there was delay in completion of the projects due to outbreak of Covid 19 in India and nation wide lockdown and travel related restrictions. However, with gradual relaxations given by the government, Group has resumed its operation for completion of the projects and expects to complete the same in above said time period.

d) In current year group has included Rs. 102.55 crores in Capital work-in-progress as preoperative expenses (Previous year : Rs. 21.46 crores)





6. INVESTMENT PROPERTIES

Particulars	As at March 31, 2023	As at March 31, 2022
I. Gross carrying amount		
Opening Balance	59.58	59.58
Additions	-	-
Disposals	-	-
Closing Balance	**59.58**	**59.58**
II. Accumulated depreciation		
Opening Balance	6.80	5.67
Charge for the year	1.13	1.13
Closing Balance	**7.93**	**6.80**
Net carrying amount (I-II)	**51.65**	**52.78**

(i) Amount recognised in the Consolidated Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2023	As at March 31, 2022
Rental Income (refer note 35)	14.45	11.59
Direct operating expenses from property that generated rental income	2.79	2.74
Profit from investment properties before depreciation	**11.66**	**8.85**
Depreciation	1.13	1.13
Profit from investment properties	**10.53**	**7.72**

(ii) The Group has given office premises under lease rental agreement. Details of minimum lease payments for non-cancellable leases are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
not later than one year	5.63	4.76
later than one year and not later than five years	15.27	0.37
later than five years	-	-
Total	**20.90**	**5.13**
Operating lease rentals credited to the Consolidated Statement of Profit and Loss (refer note 35)	**14.45**	**11.59**

(iii) Fair Value

Particulars	As at March 31, 2023	As at March 31, 2022
Investment properties	207.27	190.74

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by independent valuer. The valuation is based on market research, market trend and comparable values as considered appropriate. All resulting fair value estimates for investment properties are included in level 3.





7. Other intangible assets and Goodwill

Particulars	Other intangible assets - Software	Goodwill
Balance at April 1, 2021	3.02	87.76
Additions	0.08	-
Deduction/Adjustment	(0.03)	-
Balance at March 31, 2022	**3.07**	**87.76**
Accumulated amortisation		
Balance at April 1, 2021	2.19	-
Amortisation expense	0.42	-
Deduction/Adjustment	(0.03)	-
Balance at March 31, 2022	**2.58**	**-**
Net carrying amount as at March 31, 2022	**0.49**	**87.76**

Balance at April 1, 2022	3.07	87.76
Additions	1.33	
Deduction/Adjustment	-	-
Balance at March 31, 2023	**4.40**	**87.76**
Accumulated amortisation		
Balance at April 1, 2022	2.58	-
Amortisation expense	0.27	-
Deduction/Adjustment	-	-
Balance at March 31, 2023	**2.85**	-
Net carrying amount as at March 31, 2023	**1.55**	**87.76**

Significant estimate - impairment of Goodwill

For the purpose of impairment testing, Goodwill is allocated to a cash generating unit, representing the lowest level within the Group at which Goodwill is monitored for internal Management purposes and which is not higher than the operating segment of the Group. The Goodwill of ₹ 14.91 Crores pertains to the acquisition of Sulakshana Securities Limited and recoverable amount has been determined using fair value less cost of disposal. Goodwill of ₹ 72.85 Crores pertains to the acquisition of Manchester Organics Limited and recoverable amount has been determined based on its value in use.

Under value in use calculation, management prepares cash flow projections based on board approved financial budgets covering a five-year period, and a discount rate of 15.71% per annum, basis internal assessment, respectively. The cash flows beyond that five-year period have been extrapolated using a terminal growth rate of 3% per annum. The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. Accordingly, there was no impairment recorded for the period March 31, 2023.





8. Investment accounted for using the equity method

Particulars	As at March 31, 2023		As at March 31, 2022	
	Quantity	Amount	Quantity	Amount
Investments in Equity Instruments				
In joint ventures (Unquoted, fully paid up)		-		-
- Equity shares of Swarnim Gujarat Fluorspar Private Limited of ₹ 10.00 each	11,82,500	0.76	11,82,500	0.77
Add: Share in total comprehensive income		(0.01)		(0.01)
Total		**0.75**		**0.76**
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		**0.75**		**0.76**
Aggregate amount of impairment in value of investments		-		-

9. Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Quantity	Amount	Quantity	Amount
(a) Investments in Equity Instruments				
Unquoted, fully paid up - (at fair value through profit or loss)				
- Equity shares of Cebon Apparel Private Limited of ₹ 10.00 each	4,81,600	3.65	4,81,600	2.95
- Equity shares of Mafatlal Services Limited of ₹ 100.00 each	9,300	-	9,300	-
(b) Investments in mutual funds - (Unquoted) (at fair value through profit or loss)				
- ICICI Prudential Liquid Fund - Growth (previous year: Nil)	32,125.60	1.06	-	-
(c) Investments in Alternate investment fund - (at fair value through profit or loss)				
- ASK Real Estate Special Situation Fund - I -RESSF-4071	541	7.24	903	10.21
Total		**11.95**		**13.16**
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		**11.95**		**13.16**
Aggregate amount of impairment in value of investments		-		-

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10. Non-current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
- Loans to employees	0.32	-
	0.32	**-**
Less: Loss allowance	-	-
Total	**0.32**	**-**

Break up of Security details

Particulars	As at March 31, 2023	As at March 31, 2022
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.32	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**0.32**	**-**
Loss allowance	-	-
Total	**0.32**	**-**

11 Other financial assets (non-current)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks held as margin money*	10.19	6.03
Security deposits	14.78	12.10
Rent Receivable	2.79	0.99
Total	**27.76**	**19.12**

* The above bank deposits are marked as lien against bank guarantees.

12. Non-current tax assets / Current tax liabilities (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current Tax Assets [net of provision ₹ 390.76 Crores (March 31, 2022: ₹ 297.64 Crores)]	31.41	28.98
Current Tax Liability [net of Advance tax ₹ 182.86 Crores (March 31, 2022: ₹ 170.46 Crores)]	8.23	9.24

13. Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	4.66	3.33
Prepaid expenses	0.35	0.99
Advance Fringe benefit tax	0.04	0.04
Advances towards a Project (refer note 53)	1.63	1.63
Balances with government authorities	59.79	-
Total	**66.47**	**5.99**

14. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	299.45	136.47
Work-in-progress	58.82	38.82
Finished goods	58.29	45.22
Stock-in-trade	22.57	25.60
Stores and Spares	28.99	11.43
Total	**468.12**	**257.54**

Write-downs of inventories to net realisable value amounted to ₹ 1.57 Crore (March 31, 2022 – ₹ 1.00 Crore). These were recognised as an expense during the year and included in 'Cost of materials consumed' and'Changes in Inventories of finished goods, work in progress and stock-in-trade' in the Statement of Profit and Loss.

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15. Investments

Particulars	As at March 31, 2023		As at 31 March 2022	
	Quantity	Amount	Quantity	Amount
(a) Investments in Equity Instruments (Quoted, fully paid up) - (at fair value through profit or loss)				
- Equity shares of NOCIL Limited of ₹ 10.00 each	1,10,000	2.27	1,10,000	2.75
(b) Investments in mutual funds (Unquoted) - (at fair value through profit or loss)				
- HDFC Liquid Fund - Regular Growth	-	-	24,092	10.00
- Tata Liquid Fund Regular Plan - Growth	-	-	30,010	10.00
- ICICI Pru Liquid Fund - Growth	-	-	3,19,430	10.00
- L&T Liquid Fund - Regular Growth	-	-	34,489	10.00
- Aditya Birla SunLife Liquid Fund - Growth - Regular plan	-	-	2,93,809	10.00
- HDFC Overnight Fund - Regular plan- Growth	-	-	22,382	7.01
- Sundaram Liquid Fund - Growth	72,863	11.05	-	-
- SBI Overnight Fund - Regular plan- Growth	-	-	14,609	5.00
- TATA Overnight Fund- Regular plan- Growth	-	-	53,704	6.00
- Nippon India Overnight Fund- Regular plan- Growth	-	-	5,27,820	6.00
- UTI Overnight Fund - Regular Plan Growth	-	-	17,354	5.00
- AXIS Overnight Fund - Regular Plan Growth	50,869	6.02	44,607	5.00
- ICICI Prudential Overnight Fund Growth	74,808	9.00	6,56,792	7.51
- L&T Overnight Fund Growth	-	-	47,544	7.51
(c) Investments in Bonds/debentures (Unquoted, fully paid up) - (at amortised cost)				
- 10% Non-convertible debentures of ATS Infrabuild Private Limited SR-I to III NCD	18	2.77	18	2.41
Total		**31.11**		**104.19**
Of the above:				
Aggregate amount of quoted investments and market value thereof		2.27		2.75
Aggregate amount of unquoted investments		28.84		101.44
Aggregate amount of impairment in value of investments		-		-

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16. TRADE RECEIVABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	565.66	359.77
Less:- Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(4.14)	(2.11)
Total receivables	**561.52**	**357.66**

Break-up for security details

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good - Secured	1.15	1.14
Trade receivables considered good - Unsecured	560.37	356.52
Trade receivables - credit impaired	4.14	2.11
Total receivables	**565.66**	**359.77**
Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(4.14)	(2.11)
Total trade receivables	**561.52**	**357.66**

Ageing of trade receivables:

Particulars	As at March 31, 2023						
	Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
a) Considered good	510.61	46.01	3.90	1.00	-	-	561.52
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	0.26	2.00	0.62	1.26	4.14
Total Undisputed Trade receivables	**510.61**	**46.01**	**4.16**	**3.00**	**0.62**	**1.26**	**565.66**
Disputed trade receivables							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade receivables	-	-	-	-	-	-	-
Total Trade Receivables	**510.61**	**46.01**	**4.16**	**3.00**	**0.62**	**1.26**	**565.66**

Particulars	As at March 31, 2022						
	Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
a) Considered good	299.58	51.46	6.62	-	-	-	357.66
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	0.03	0.71	0.01	1.36	2.11
Total Undisputed Trade receivables	**299.58**	**51.46**	**6.65**	**0.71**	**0.01**	**1.36**	**359.77**
Disputed trade receivables							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade receivables	-	-	-	-	-	-	-
Total Trade Receivables	**299.58**	**51.46**	**6.65**	**0.71**	**0.01**	**1.36**	**359.77**

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17A. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.09	0.10
Balances with banks in current account *	14.33	13.38
Deposits with original maturity of less than or equal to 3 months	0.05	62.26
Total	**14.47**	**75.74**

*One current account with bank balance ₹ 0.02 Crores (March 31, 2022: ₹ 0.02 Crores), which has not been transferred from Mafatlal Industries Limited pursuant to its scheme of demerger, is in the process of being transferred in the Company's name.

17B. Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend	4.88	4.65
Buyback account	0.01	0.01
Deposits with maturity of more than 3 month and less than 12 months	3.66	4.13
Deposits received under protest (refer note 54)	11.44	10.95
Balances in earmarked accounts (Unpaid matured debentures)	0.35	0.35
Total	**20.34**	**20.09**

18. Loans (Current)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
- Loan to Others	-	0.51
	-	**0.51**
Less: Loss allowance	-	-
Total	**-**	**0.51**

Break-up of Security details

Particulars	As at March 31, 2023	As at March 31, 2022
Loans considered good - Secured	-	-
Loans considered good - Unsecured	-	0.51
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**-**	**0.51**
Loss allowance	-	-
Total	**-**	**0.51**

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19. Other financial assets (current)

Particulars	As at March 31, 2023	As at March 31, 2022
Rent Receivable	0.33	4.64
Security deposits	1.40	0.36
Derivative assets - Foreign exchange contracts	0.32	0.86
Export incentive receivables	4.29	-
Other Receivable	1.54	-
Total	**7.88**	**5.86**

20. Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Advances to suppliers	88.30	70.65
Prepaid expenses	5.21	3.45
Balances with government authorities	196.61	114.92
Other deposits	-	2.12
Others advances	70.89	6.54
Total	**361.01**	**197.68**

21. Assets classified as held for sale

Particulars	As at March 31, 2023	As at March 31, 2022
Building	1.72	-
Total	**1.72**	**-**

22. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised Shares		
17,50,00,000 equity shares of ₹ 2 each	35.00	35.00
Issued, subscribed and fully paid shares		
4,95,71,170 (as at March 31, 2022 - 4,95,53,150) equity shares of ₹ 2.00 each	9.91	9.91
Less: Calls in arrears [refer note 22 (f)]	*	*
Total	**9.91**	**9.91**

*Numbers are below rounding off

(a) Reconciliation of the number of shares and amount outstanding:

Particulars	Number of shares	Amount
Balance as at March 31, 2021	**4,95,03,220**	**9.90**
Add: Shares issued on exercise of employee stock options during the year	49,930	0.01
Balance as at March 31, 2022	**4,95,53,150**	**9.91**
Add: Shares issued on exercise of employee stock options during the year	18,020	*
Balance as at March 31, 2023	**4,95,71,170**	**9.91**

(b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 2.00 per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company in proportion to the number of and amounts paid on the shares held.

(c) Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48.

(d) Details of shareholders holding more than 5% shares in the Company:

Particulars	No. of fully paid shares	% of Holding
As at March 31, 2023		
Mafatlal Impex Private Limited	1,14,07,420	23.02%
As at March 31, 2022		
Mafatlal Impex Private Limited	1,14,07,420	23.02%
Smallcap World Fund, Inc	30,68,598	6.19%

(e) Details of shareholders holding of promoter:

Shareholding of promoters as on March 31, 2023

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	3,82,635	0.77	*
Vishad Padmanabh Mafatlal	7,14,349	1.44	(38.12)
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	*
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	*
Rupal Vishad Mafatlal	101	-	*
Chetna Padmanabh Mafatlal	1,015	-	*
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	-	*
Pamil Investments Pvt Ltd	5,000	0.01	*
Mafatlal Exim Private Limited	16,28,729	3.29	*
Mafatlal Impex Private Limited	1,14,07,420	23.01	*
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	1,21,275	0.24	*
Total	**1,42,79,724**	**28.80**	

*Numbers are below rounding off

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Shareholding of promoters as on March 31, 2022

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal As Trustee Of Vishad P Mafatlal Family Trust No. 1	3,82,635	0.77	*
Vishad Padmanabh Mafatlal	11,54,349	2.33	(17.21)
Padmanabh Arvind Mafatlal (Huf)	14,550	0.03	*
Vishad P.Mafatlal Pam Huf1 P Mafatlal	4,550	0.01	*
Rupal Vishad Mafatlal	101	-	*
Chetna Padmanabh Mafatlal	1,015	-	*
Anshi Ventures Pvt Ltd (Formerly Known as Milap Texchem Pvt Ltd)	100	-	*
Pamil Investments Pvt Ltd	5,000	0.01	*
Mafatlal Exim Private Limited	16,28,729	3.29	*
Mafatlal Impex Private Limited	1,14,07,420	23.02	*
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	1,21,275	0.24	*
Total	**1,47,19,724**	**29.70**	

*Numbers are below rounding off

(f) Calls unpaid (by other than officers and directors)

Particulars	No. of shares	Amount
As at March 31, 2023		
Equity shares of ₹ 2 each, ₹ 1 called up but unpaid	8,920	*
As at March 31, 2022		
Equity shares of ₹ 2 each, ₹ 1 called up but unpaid	14,555	*

*Numbers are below rounding off

(g) Out of the rights issue made in 2004-05, 109 equity shares could not be offered on rights basis due to the non-availability of details of beneficial holders from depositories. The same are kept in abeyance.





23. Other equity

23A Reserves and surplus

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium	27.18	25.47
General Reserve	73.33	73.33
Share Options Outstanding Account	17.62	1.30
Retained Earnings	1,901.05	1,579.62
Total	**2,019.18**	**1,679.72**

(i) Securities Premium

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	25.47	21.72
Add: Received during the year on shares issued on exercise of employee stock options during the year	1.71	3.75
Closing Balance	**27.18**	**25.47**

(ii) General Reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	73.33	73.33
Closing Balance	**73.33**	**73.33**

(iii) Share Options Outstanding Account

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	1.30	2.36
Employee stock option expense (Net)	16.32	(1.06)
Closing Balance	**17.62**	**1.30**

(iv) Retained Earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	1,579.62	1,371.39
Add: Profit for the year	375.18	263.07
Less:		
Other comprehensive income for the year, net of income tax	0.77	(0.83)
Dividends (including tax)	(54.52)	(54.48)
Reversal of excess provision of Dividend Distribution tax	-	0.47
Closing Balance	**1,901.05**	**1,579.62**

Description of reserves

Securities premium - The Securities Premium was created on issue of shares at a premium. The reserve is utilised in accordance with the provisions of the Act.

General Reserve - The general reserve comprises of transfer of profits from retained earnings for appropriation purpose. The reserve can be distributed/utilised by the Company in accordance with the provisions of the Act.

Share options outstanding account - The employee stock options outstanding represents reserve in respect of equity settled share options granted to the Group's employees in pursuance of the employee stock option plan.

Retained earnings - This represent the amount of accumulated earnings of the Company.

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23B Other reserves

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Reserve no.1	80.35	80.35
Capital Reserve no.2	70.35	70.35
Capital redemption reserve	0.34	0.34
Call in arrears/share options pending for allotment	0.01	0.01
Foreign currency translation reserve	4.81	3.54
Total	**155.86**	**154.59**

(i) Capital Reserve No.1:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	80.35	80.35
Closing Balance	**80.35**	**80.35**

(ii) Capital Reserve no.2

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	70.35	70.35
Closing Balance	**70.35**	**70.35**

(iii) Capital redemption reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	0.34	0.34
Closing Balance	**0.34**	**0.34**

(iv) Call in arrears/share options pending for allotment

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	0.01	0.24
Less: Trading approval received during the year	*	-
Add: amount received against share options during the year	-	(0.23)
Closing Balance	**0.01**	**0.01**

(v) Foreign currency translation reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	3.54	3.94
Add: Changes in foreign currency translation reserve	1.27	(0.40)
Closing Balance	**4.81**	**3.54**

Description of reserves

Capital Reserve no. 1 - Capital reserve no. 1 was created for excess of assets over liabilities and reserves taken over pursuant to the scheme of demerger of chemical business of Mafatlal Industries Limited.

Capital Reserve no. 2 -Capital reserve no. 2 was created for compensation received pursuant to the Montreal Protocol for phasing out production of ozone depleting substances.

Capital redemption reserve - Capital redemption reserve was created out of the general reserve during the buy back of equity shares and it is a non-distributable reserves.

Foreign currency translation reserve - Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off

24. Borrowings

Particulars	Non- Current	Current	Non- Current	Current
	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
Secured *				
Term Loan from banks (refer note a)	753.13	-	100.00	-
Cash Credit (refer note b)	-	81.95	-	-
Working Capital Loan from banks (refer note b)	-	13.57	-	4.47
Total	**753.13**	**95.52**	**100.00**	**4.47**

* interest accrued on borrowings are included in the respective amounts.

Terms of Borrowings:

a. Term Loan from banks

(i) The term Loan carries interest rate of 5.55% - 8.92% (Previous year: 5.55%). Interest rate is derived from base rate/ 3m TBill plus spread.

(ii) The loan is repayable in 16 quarterly installment after 24 months of disbursement.

(iii) The loan is secured by way of:

- Unconditional and irrevocable corporate guarantee from Holding Company.
- First pari passu charge on fixed assets of Navin Fluorine Advanced Sciences Limited both present and future.
- Second pari passu charge on current assets of Navin Fluorine Advanced Sciences Limited both present and future.

b. Cash Credit and Working Capital Loans

(i) The Cash credit and Working capital loans carry interest rate of 7.50% - 8.50% (Previous year: Nil). Interest rate is derived from base rate/ MCLR / MIBOR plus margin.

(ii) Cash credit and Working capital loan is repayable on demand

(iii) The loan is secured by way of:

- Unconditional and irrevocable corporate guarantee from Holding Company.
- First pari passu charge on current assets of Navin Fluorine Advanced Sciences Limited both present and future.
- Second pari passu charge on fixed assets of Navin Fluorine Advanced Sciences Limited both present and future, excluding land.

c. **Net debt reconciliation:**

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	14.47	75.74
Liquid Investments	31.11	104.19
Lease Liabilities	(12.15)	(16.35)
Borrowings	(848.65)	(104.47)
Total	**(815.22)**	**59.11**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investments	Lease Liabilities	Borrowings	
Net debt as at 31 March 2021	**131.85**	**84.54**	**(22.54)**	**(2.52)**	**191.33**
Cash flows	(56.11)	19.06	6.89	(101.95)	(132.11)
New leases	-	-	(0.70)	-	(0.70)
Interest expense	-	-	(1.18)	-	(1.18)
Interest paid	-	-	1.18	-	1.18
Fair value adjustments	-	0.59	-	-	0.59
Net debt as at 31 March 2022	**75.74**	**104.19**	**(16.35)**	**(104.47)**	**59.11**
Cash flows	(61.27)	(73.59)	5.67	(744.18)	(873.37)
New leases	-	-	(1.47)	-	(1.47)
Interest expense	-	-	(0.95)	(26.57)	(27.52)
Interest paid	-	-	0.95	26.57	27.52
Fair value adjustments	-	0.51	-	-	0.51
Net debt as at 31 March 2023	**14.47**	**31.11**	**(12.15)**	**(848.65)**	**(815.22)**

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25. Lease Liabilities (Non-current)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	6.42	10.04
Total	**6.42**	**10.04**

26. Provisions (Non-current)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences (refer note 46.3)	15.09	13.68
Total	**15.09**	**13.68**

27. Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities	65.48	46.58
Less: deferred tax assets	(30.74)	(26.44)
Total Deferred Tax Liabilities (Net)	**34.75**	**20.14**

27.1 Movement of Deferred Tax

(I) Deferred tax assets/ liabilities in relation to the year ended March 31, 2023

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Other movements during the year	Closing Balance
Deferred tax liabilities in relation to:				
Property, plant and equipment and intangible assets	38.93	18.87	-	57.80
Right-of-use to assets	4.00	(0.58)	-	3.42
Financial asset measured at FVTPL	0.71	0.52	-	1.23
On undistributed profit	2.84	-	-	2.84
Foreign Currency translation reserve	0.24	(0.00)	-	0.24
Others	(0.14)	0.09	-	(0.05)
Total deferred tax liabilities	**46.58**	**18.90**	**-**	**65.48**
Deferred tax assets in relation to:				
Indexation benefit on Investment properties	16.31	1.35	-	17.66
Fair Valuation of loan to wholly owned subsidiary	(0.58)	(0.15)	-	(0.73)
Provision for Compensated Absences	1.99	0.93	-	2.91
Provision for Gratuity	0.36	0.36	-	0.72
Provision for doubtful debts	0.53	0.58	-	1.11
Preliminary expenses u/s. 35D	0.33	(0.10)	-	0.23
Lease Liabilities	4.39	(0.22)	-	4.17
Capital losses	0.16	(0.16)	-	0.00
Others	2.95	1.72	-	4.67
Total deferred tax assets	**26.44**	**4.31**	**-**	**30.74**
Total deferred tax liabilities/(deferred tax assets) (A - B)	**20.14**	**14.59**	**-**	**34.75**

(ii) Deferred tax assets/ liabilities in relation to the year ended March 31, 2022

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Other movements during the year	Closing Balance
Deferred tax liabilities in relation to:				
Property, plant and equipment and intangible assets	37.82	1.11	-	38.93
Right-of-use to assets	4.82	(0.82)	-	4.00
Financial asset measured at FVTPL	1.97	(1.26)	-	0.71
On undistributed profit	2.84	-	-	2.84
Foreign Currency translation reserve	0.24	-	-	0.24
Others	0.19	(0.33)	-	(0.14)
Total deferred tax liabilities	**47.88**	**(1.30)**	**-**	**46.58**
Deferred tax assets in relation to:				
Indexation benefit on Investment properties	15.23	1.08	-	16.31
Fair Valuation of loan to wholly owned subsidiary	(0.43)	(0.15)	-	-0.58
Provision for Compensated Absences	1.74	0.25	-	1.99
Provision for Gratuity	0.21	0.15	-	0.36
Provision for doubtful debts	0.51	0.02	-	0.53
Preliminary expenses u/s. 35D	-	0.33	-	0.33
Lease Liabilities	5.06	(0.67)	-	4.39
Capital losses	1.71	(1.55)	-	0.16
Others	3.10	(0.15)	-	2.95
Total deferred tax assets	**27.13**	**(0.69)**	**-**	**26.44**
Total deferred tax liabilities/(deferred tax assets) (A - B)	**20.75**	**(0.61)**	**-**	**20.14**

28. Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Liability against project contracts (refer note 53)	13.35	13.35
Deferred Government Grant	0.12	0.14
Total	**13.47**	**13.49**

29 Lease Liabilities (Current)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	5.73	6.31
Total	**5.73**	**6.31**

The total expenses related to short term lease (included in other expenses) was Rs. 0.93 crores
(March 31, 2022 : Rs. 1.22 crores)

30 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	40.63	14.14
Total outstanding dues other than above	202.85	132.39
Total	**243.48**	**146.53**

Ageing of Trade Payables:

	As at March 31, 2023						
	Outstanding for following periods from the due date						
Particulars	**Unbilled**	**Not Due**	**Less than 1 Year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade Payables							
a) Micro enterprises and small enterprises	0.92	26.67	13.04	-	-	-	40.63
b) Others	60.24	127.36	14.54	0.12	0.24	0.35	202.85
c) credit impaired	-	-	-	-	-	-	-
Total Undisputed Trade Payables	**61.16**	**154.03**	**27.58**	**0.12**	**0.24**	**0.35**	**243.48**
Disputed trade Payables	-						
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade Payables	-	-	-	-	-	-	-
Total Trade Payables	**61.16**	**154.03**	**27.58**	**0.12**	**0.24**	**0.35**	**243.48**

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Ageing of Trade Payables:

	As at March 31, 2022						
	Outstanding for following periods from the due date						
Particulars	**Unbilled**	**Not Due**	**Less than 1 Year**	**1 - 2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade Payables							
a) Micro enterprises and small enterprises	-	13.57	0.57	-	-	-	14.14
b) Others	13.22	96.69	22.34	-	-	0.14	132.39
c) credit impaired	-	-	-	-	-	-	-
Total Undisputed Trade Payables	**13.22**	**110.26**	**22.91**	**-**	**-**	**0.14**	**146.53**
Disputed trade Payables	-						
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
Total disputed Trade Payables	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Trade Payables	**13.22**	**110.26**	**22.91**	**-**	**-**	**0.14**	**146.53**

31. Other financial liabilities (Current)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Unpaid dividends*	4.88	4.65
Unpaid money on buy-back of shares	0.01	0.01
Unclaimed matured debentures and interest accrued	0.35	0.35
Derivative liability - Foreign exchange contract	0.40	0.26
Capital Creditors	84.17	152.90
Security Deposits received	11.36	10.42
Others	0.06	0.05
Total	**101.23**	**168.64**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

32. Provisions (Current)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Provision for compensated absences (refer note 46.3)	4.64	3.50
Gratuity Payable (refer note 46.2)	3.32	1.90
Total	**7.96**	**5.40**

33. Other current liabilities

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Advances from customers (refer note 54)	11.90	11.32
Statutory dues	10.90	8.19
Deferred Government Grant	0.02	0.02
Payables to Employees	30.74	20.53
Others	0.39	2.01
Total	**53.95**	**42.07**

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34. Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	2,037.73	1,437.22
Sale of services	27.65	10.79
Other operating revenues		-
- Scrap Sales/others	4.71	2.97
- Export Incentives	7.31	2.38
Total	**2,077.40**	**1,453.36**

Note:

a) The group is primarily engaged in the business of manufacture and sale of fluorine chemistry products and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.

b) Includes sale of products associated under a dedicated supply contract meeting the criteria of operating lease under Ind AS 116. Estimated operating lease income under Ind AS 116 is Rs. 45.78 crores (March 31, 2022: Nil).

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognised that was included in the contract liability balance at the beginning of the period	1.25	3.03

35. Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income		
- on banks deposits	0.92	15.70
- on inter corporate deposits	-	-
- on income tax refund	0.93	5.30
- on loans and advances	2.10	0.96
- others	0.01	-
Dividend income		
- on investments in Mutual Fund/Shares	0.03	0.02
Lease rental income on investment properties (refer note 6)	14.45	11.59
Other gains and losses		
- Gain on disposal of property, plant and equipment	2.00	-
- Net gain arising on financial assets mandatorily measured at FVTPL	0.97	3.18
- Excess provision/ liabilities written back (net)	0.50	-
- Net gain arising on sale of Investments	-	-
- Net gain arising on sale of Mutual funds	9.04	0.09
- Net gain on foreign currency transactions	3.10	-
- Miscellaneous Income	1.68	2.38
Total	**35.73**	**39.22**





36. Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw material consumed	876.37	616.66
Packing material consumed	29.35	33.83
Total	**905.72**	**650.49**

37. Changes in Inventories of finished goods, work in progress and stock-in-trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the end of the year		
Finished goods	58.29	45.22
Work-in-progress	58.80	38.82
Stock-in-trade	22.57	25.60
	139.66	109.64
Inventories at the beginning of the year		
Finished goods	45.22	33.86
Work-in-progress	38.82	42.55
Stock-in-trade	25.60	23.32
	109.64	99.73
	(30.02)	(9.91)
Add/(Less): Foreign currency translation adjustments	(0.65)	0.35
Net Increase	**(29.37)**	**(10.26)**

38. Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and bonus	211.80	165.45
Contribution to provident and other funds (refer note 46.1 and 46.2)	8.61	6.76
Employee share-based payment expense (refer note 48)	16.79	-
Staff Welfare Expenses	8.21	6.71
Gratuity expenses (refer note 46.2)	4.00	2.61
Total	**249.41**	**181.53**

39. Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings	19.31	0.17
Interest on Lease liabilities	0.95	1.21
Interest on Others	7.26	0.52
Total	**27.52**	**1.90**

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40. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 5A)	55.35	39.17
Depreciation on Right-of-use assets (refer note 5B)	5.89	7.18
Depreciation on investment properties (refer note 6)	1.13	1.13
Amortisation of intangible assets (refer note 7)	0.27	0.42
Total	**62.64**	**47.90**

41. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	134.54	75.63
Rent expense (refer note 45)	0.93	1.22
Repairs and Maintenance		
- Plant and Machinery	12.84	10.57
- Buildings	1.43	0.98
Consumption of stores and spares	47.90	41.06
Transport and freight charges (net)	43.07	35.76
Labor contract charges	31.17	16.97
Property maintenance expenses	0.08	0.08
Legal and Professional Charges (refer note 41.1)	17.63	15.40
Rates & Taxes	7.40	5.53
Insurance	8.19	6.68
Directors Sitting Fees	0.50	0.47
Loss on Sale/ retirement of property, plant & equipment	0.03	0.47
Net loss (gain) on foreign currency transactions	0.26	0.93
Provision for doubtful debts / advances (net)	2.03	0.07
Expenditure on Corporate Social Responsibility (refer note 41.2)	6.15	5.28
Net loss arising on sale of Investments	-	0.37
Miscellaneous expenses	67.52	33.92
Total	**381.67**	**251.39**

41.1 Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditors		
a) Statutory audit	0.47	0.47
b) Other audit services	0.27	0.25
c) Re-imbursement of expenses	0.01	0.01
Total	**0.75**	**0.73**

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41.2 Corporate Social Responsibility

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Gross amount required to be spent by the company during the year	6.14	5.23
b) Amount spent during the year on:	6.15	5.28
	In cash	**Yet to be paid in cash**
For the year March 31, 2023		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	6.15	5.28
For the year March 31, 2022		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	5.28	5.66

42. Income taxes

Income tax expenses recognised

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
In respect of the current year		
- Current tax recognised in Statement of Profit and Loss	106.10	85.04
- Excess provision of tax for earlier years	-	(3.28)
- Deferred tax	14.59	(0.61)
	120.69	**81.15**
In respect of the current year		
- Current tax recognised in other comprehensive income	0.26	(0.26)
	0.26	**(0.26)**
Total income tax expense recognised in the current year	**120.95**	**80.89**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	**495.88**	**344.23**
Income tax expense	120.75	88.17
Effect of:		
Income exempt from tax	(0.12)	(3.37)
Tax Charge/(Reversal) of earlier years	-	(3.28)
Expenses that are not deductible in determining taxable profit	1.67	1.75
Tax concessions (availed) / reversed	(2.89)	(3.71)
Income taxable at different tax rate	(0.05)	(0.10)
Deductible temporary differences on account of indexation benefits recognised as deferred tax assets	1.41	(0.01)
Others	(0.08)	1.70
Income tax expense recognised in Consolidated Statement of Profit and loss	**120.69**	**81.15**

43. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. Chairman and Managing Director of the Group are the chief operating decision makers. The Group operates only in one Business Segment i.e. 'Chemical Business' which constitutes a single reporting segment.

(i) The Group has two geographical segments based upon location of its customers - within and outside India:

Particulars	As at and for the year ended March 31, 2023			As at and for the year ended March 31, 2022		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenues *	699.07	1,378.33	2,077.40	695.01	758.35	1,453.36
Carrying cost of non current assets@	2,014.47	7.87	2,022.34	1,327.54	5.62	1,333.16
Cost incurred on acquisition of property, plant and equipment	689.29	-	689.29	713.83	0.21	714.04

* Timing of revenue recongnition is at a point in time.
@ Excluding financial assets.

(ii) Revenue from customers of the Group which is individually more than 10 percent of the Group's total revenue:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Customer A	360.37	-

44. Earning per share

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year attributable to equity shareholders - (₹ in Crores) - **A**	375.18	263.07
Weighted average number of equity shares outstanding during the year - **B**	4,95,58,378	4,95,28,217
Effect of Dilution :		
Weighted average number of ESOP shares outstanding	1,73,700	33,287
Weighted average number of Equity shares adjusted for the effect of dilution - **C**	4,97,32,078	4,95,61,504
Basic earnings per share - ₹ (**A/B**)	75.70	53.12
Diluted earnings per share - ₹ (**A/C**)	75.44	53.08
Nominal value per share - ₹	2.00	2.00

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45. Leasing arrangement

The Group has taken office, residential premises and vehicles under operating lease or leave and license agreements. These are generally cancellable in nature and range between 11 months to 60 months. These leave and license agreements are generally renewable or cancelable at the option of the Group or the lessor. The lease payment recognised in the Consolidated Statement of Profit and Loss is ₹ 0.93 Crores (March 31, 2022: ₹ 1.22 Crores). From April 01, 2019 the Group has recognised right of use assets for these leases, except short term leases. Refer note 5B for further information.

46. Employee benefit plans

46.1 Defined Contribution Plan

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year:

Particulars	As at March 31, 2023	As at March 31, 2022
Contribution to Provident Fund	5.18	3.66
Contribution to Family Pension Fund	1.63	1.30
Contribution to Superannuation Fund	1.69	1.71
Contribution to Employees' State Insurance Scheme	0.01	0.01
Contribution to Employees' Deposits Linked Insurance Scheme	0.10	0.08
Total	**8.61**	**6.76**

46.2 Defined Benefit Plans

(i) Gratuity (Funded)

The Group sponsors funded defined benefit gratuity plan for all eligible employees of the Group except for certain employees. The Group's defined benefit gratuity plan requires contributions to be made to a separately administered trust. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Group makes provision for gratuity fund based on an actuarial valuation carried out at the end of the year using 'projected unit credit' method.

(a) **The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (gratuity) is as follows:**

Balances of defined benefit plan

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	(33.54)	(30.15)
Fair value of plan assets	30.22	28.24
Net (liability)/asset arising from gratuity	(3.32)	(1.91)

(b) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities:**

Following is the amount recognised in Consolidated Statement of Profit and Loss, other comprehensive income, movement in defined benefit liability (i.e. gratuity) and movement in plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	4.14	2.67
Net interest expenses	0.04	0.02
Less: Amount transferred to Capital work in progress	0.10	0.05
Total (A)	**4.28**	**2.74**
B. Components of defined benefit costs recognised in other Comprehensive Income		
Remeasurement on the net defined benefit liability:		
- Return on plan assets (excluding amounts included in net interest expense)	(0.32)	(0.29)
- Actuarial gains and losses arising from changes in demographic assumptions	(1.53)	(0.33)
- Actuarial gains and losses arising from changes in financial assumptions	(0.63)	(0.58)
- Actuarial gains and losses arising from experience adjustments	1.45	2.29
Total (B)	**(1.03)**	**1.09**
C. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	30.15	27.98
Current service cost	4.14	2.67
Interest cost	2.04	1.82
Liabilities assumed for employee transferred to/from other entity	-	0.01
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	(1.53)	(0.33)
- Actuarial gains and losses arising from changes in financial assumptions	(0.63)	(0.58)
- Actuarial gains and losses arising from experience adjustments	1.45	2.29
Benefits paid	(2.08)	(3.71)
Closing defined benefit obligation (C)	**33.54**	**30.15**
D. Movements in the fair value of the plan assets		
Opening fair value of plan assets	28.24	26.87
Interest income	1.91	1.74
Remeasurement gain/(loss):		
- Return on plan assets (excluding interest income)	0.32	0.29
Contributions by employer	1.83	3.05
Benefits paid	(2.08)	(3.71)
Closing fair value of plan assets (D)	**30.22**	**28.24**

(c) **Principal assumptions**

The principal assumptions used for the purposes of the actuarial valuations of gratuity liability were as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
1. Discount rate	7.50% / 7.30%	7.37% / 6.84%
2. Salary escalation	10%	10%
3. Mortality rate	Indian Assured Lives Mortality 2012 - 14 (Urban)	Indian Assured Lives Mortality 2012 - 14 (Urban)
4. Attrition rate	2% / 15%	2% / 11%

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(d) The expected contribution to the plan for the next financial year is ₹ 4.58 Crores (Previous Year: ₹ 3.66 Crores)

(e) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particular	As at March 31, 2023	As at March 31, 2022
Central Government of India	39.71%	11.29%
State Government Securities	0.00%	26.73%
Special Deposits Scheme	9.14%	10.78%
Debt Instruments/Corp Bonds	51.15%	51.20%

(f) The weighted average duration of the defined benefit obligation is 7 years (March 31, 2022: 7 years). The expected maturity analysis of gratuity is as follows:

Particulars	Within 1 year	1-5 years	Above 5 years
As at March 31, 2023	7.23	15.25	30.61
As at March 31, 2022	5.81	12.14	30.19

(g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase and attrition rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while all other assumptions constant. Following is the impact of changes in assumption in defined benefit obligation of gratuity:

Increase/ (decrease) in assumptions	As at March 31, 2023	As at March 31, 2022
Impact of discount rate for 50 basis points increase	(0.74)	(0.78)
Impact of discount rate for 50 basis points decrease	0.79	0.82
Impact of salary escalation rate for 50 basis points increase	0.76	0.79
Impact of salary escalation rate for 50 basis points decrease	(0.73)	(0.75)
Impact of attrition rate for 50 basis points increase	(0.19)	(0.19)
Impact of attrition rate for 50 basis points decrease	0.20	0.20

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.





(ii) Provident fund (funded)

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund for all employees, are charged to the Consolidated Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Group. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

(a) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (trust managed provident fund) is as follows:

Balances of defined benefit plan

Particular	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	(54.33)	(45.41)
Fair value of plan assets	55.76	45.41
Net Assets/(Liabilities)*	-	-

* Excess of fair value of plan assets over present value of funded defined benefit obligation has not been recognised.

(b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in Consolidated Statement of Profit and Loss, movement in defined benefit liability (i.e. provident fund) and movement in plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	3.56	2.59
Expected Return on plan assets	(3.71)	(3.21)
Net interest expenses	3.71	3.21
Total (A)	**3.56**	**2.59**
B. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	45.41	39.15
Opening balance adjustment	0.84	(0.54)
Current service cost	3.56	2.59
Interest cost	3.71	3.21
Employee Contribution	5.58	4.49
Liabilities assumed for employee transferred from other entity	0.31	0.56
Benefits paid	(3.72)	(5.41)
Balance not recognized in Income statement	(1.36)	1.36
Closing defined benefit obligation (B)	**54.33**	**45.41**
C. Movements in the fair value of the plan assets		
Opening fair value of plan assets	45.41	40.82
Remeasurement gain/(loss):	0.91	(0.85)
Expected Return on plan assets	3.71	3.21
Contributions	9.14	7.08
Asset transferred in for employee transferred from other entity	0.31	0.56
Benefits paid	(3.72)	(5.41)
Closing fair value of plan assets (C)	**55.76**	**45.41**

(c) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particular	As at March 31, 2023	As at March 31, 2022
Central Government of India	14.07%	13.71%
State Government Securities	32.62%	32.17%
Special Deposits Scheme	19.36%	23.03%
Public Sector Units	28.14%	27.01%
Others	5.80%	4.08%

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(iii) Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

46.3 Other Long term Employee Benefits:

The liability for Compensated absences as determined by Independent actuary as at the balance sheet date is ₹ 19.73 Crores (March 31, 2022: ₹ 17.18 Crores).

47. Financial Instruments and Risk Review

47.1 Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return to shareholders the capital or issue new shares or take such appropriate action as may be needed. The Group considers total equity reported in the financial statements to be managed as part of capital.

The Group has Net Debt (Net debt includes, interest bearing loans and borrowings less cash and cash equivalents) as mentioned below:

Particulars	As at March 31, 2023	As at March 31, 2022
Net Debt	848.65	104.47
Total equity	2,184.95	1,844.22
Net debt to equity ratio	38.84%	5.66%

The net debt to equity ratio for the current year increased from 5.66% to 38.84% as a result of term loan taken from banks.

Loan covenants

The below financial covenants shall be tested by bank on annual basis starting from F.Y. 2023-24 onwards, based on audited financial statements of the Group:
a) **Debt service Coverage ratio (Group)**: not below 1.30 times
b) **Current ratio (NFASL)**: not below 1.30 times
C) **Fixed Asset Coverage Ration (NFASL)**: Not below 1.5 times
d) **Long term Debt / EBITDA (Group)**: Not to exceed 3 times

47.2 Fair value measurements

(i) **Categories of financial instruments**

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Measured at Amortised Cost		
- Cash and Bank Balances	34.81	95.83
- Investments	2.77	2.41
- Trade receivables	561.52	357.66
- Loans	0.32	0.51
- Other financial assets	35.32	24.12
Measured at fair value through profit and loss (FVTPL)		
(a) mandatorily measured		
- Equity instruments	5.92	5.70
- Investments in mutual funds / Other funds	34.37	109.28
- Derivative assets	0.32	0.86
Financial liabilities		
Measured at Amortised Cost		
- Borrowing	848.65	104.47
- Lease liabilities	12.15	14.51
- Trade payable	243.48	146.53
- Other financial liabilities	107.25	178.42
Measured at fair value through profit and loss (FVTPL)		
- Derivative liability	0.40	0.26

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(ii) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
- Investments in equity instruments	2.27	-	3.65	5.92
- Investments in mutual funds/other funds	27.13	-	7.24	34.37
- Derivative assets	-	0.32	-	0.32
Financial liabilities				
- Derivative liability	-	0.40	-	0.40
As at March 31, 2022				
Financial assets				
- Investments in equity instruments	2.75	-	2.95	5.70
- Investments in mutual funds/other funds	99.07	-	10.21	109.28
- Derivative assets	-	0.86	-	0.86
Financial liabilities				
- Derivative liability	-	0.26	-	0.26

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3.

(iii) **Valuation technique used to determine fair value**

1. The fair value of the unquoted investments is determined using quoted bid prices in an active market.

2. The fair value of the unquoted investments is determined using the inputs other than quoted prices included in level 1 that are observable for assets and liabilities.

3. Group has made investments in 'Ask Real Estate Special Situation Fund'. The Fund invests primarily in special purpose vehicles and companies of special purpose vehicles that undertake residential and mixed use real estate developments with a significant residential component. The Valuation methodology used shall depend on the type of property and market conditions and stage of development reached in the invested project. The suitability of a particular method of valuation is decided based on the below criteria:

- For undeveloped properties: Sales/Market Comparison Method benchmarked by Discounted Cash Flow Method
- For semi developed properties / properties under development: Weighted average of Discounted Cash Flow Method and Replacement Cost Method
- For completed properties, leased property or ready for sale properties: Capitalization of Rental Method or Market Comparison Method

(iv) **Fair value of Financial assets and liabilities measured at amortised cost**

The carrying amounts of cash and cash equivalents, trade receivables, receivables from related parties and trade payables are considered to be the same as their fair values due to their short-term nature. Fair value of security deposits approximates the carrying value.

47.3 Financial risk management objectives

The Group's activities exposes it to a variety of financial risks including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of financial risks on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

47.4 Market Risks

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and other price risk. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

a. Foreign exchange risk

i) Exposure to foreign exchange risk:
The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency of the entity in the Group. The risk also includes highly probable foreign currency cash flows.
The Group has exposure arising out of export, import and other transactions other than functional risks. The Group hedges its foreign exchange risk using foreign exchange forward contracts. The same is within the guidelines laid down by Risk Management Policy of the Group.

ii) Foreign exchange risk management:
To manage the foreign exchange risk arising from recognized assets and liabilities, Group use spot transactions, foreign exchange forward contracts, according to the Group's foreign exchange risk policy. Group's treasury is responsible for managing the net position in each foreign currency and for putting in place the appropriate hedging actions. The Group's foreign exchange risk management policy is to selectively hedge net transaction exposures in major foreign currencies.

The carrying amounts of the Group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	(₹ in Crores)	(Foreign Currency in Crores)	(₹ in Crores)	(Foreign Currency in Crores)
Amount receivable				
USD	170.54	2.08	5.96	0.08
GBP	0.07	*	0.06	*
EURO	-	-	1.27	0.02
Amount payable				
USD	41.80	0.51	5.46	0.07
GBP	-	-	*	*
EURO	-	-	2.83	0.03
SGD	-	-	-	-

*Numbers are below rounding off

iii) Foreign exchange risk sensitivity:

3% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 3% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analyze of change in profit where the Indian Rupee strengthens and weakens by 3% against the relevant currency:

Foreign currency	For year ended March 31, 2023		For year ended March 31, 2022	
	3% strengthen	3% weakening	3% strengthen	3% weakening
USD	3.86	(3.86)	0.01	(0.01)
GBP	0.00	(0.00)	*	*
EURO	-	-	(0.05)	0.05

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

*Numbers are below rounding off

(iv) Forward foreign exchange contracts

The following table contains the details of forward foreign currency contracts outstanding at the end of the reporting period:

Currency	Exposure to buy / sell	As at the year end	
		₹ in Crores	Foreign Currency in Crores
US Dollars			
March 31, 2023	sell	239.47	2.91
March 31, 2022	sell	147.38	1.93
EURO			
March 31, 2023	sell	1.81	0.02
March 31, 2022	sell	3.38	0.04
GBP			
March 31, 2023	sell	0.28	0.00
March 31, 2022	sell	-	-
US Dollars			
March 31, 2023	buy	23.92	0.29
March 31, 2022	buy	51.87	0.68

b. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The group is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The group monitors fluctuations in interest rate continuously to minimise impact of interest rate risk.

(i) Exposure to interest rate risk related to borrowings with floating rate of interest.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings bearing floating rate of interest	848.65	104.47

(ii) Interest rate sensitivity:

A change of 50 bps in interest rates would have following Impact on profit before tax:

Particulars	As at March 31, 2023	As at March 31, 2022
50 bp increase- decrease in profits *	4.24	0.52
50 bp decrease- Increase in profits *	(4.24)	(0.52)

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

c. Other price risks

The Group is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.
In order to manage its price risk arising from investments in equity instruments, the Group maintains its portfolio in accordance with the framework set by the Investment policy. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Management Committee.

Price Risk Sensitivity Analysis:

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Group has calculated the impact as follows:
For equity instruments, a 10% increase in equity prices would have led to approximately an additional ₹ 0.23 Crores gain in statement if profit and loss (March 31, 2022: ₹ 0.27 Crores). A 10% decrease in equity prices would have led to an equal but opposite effect.

47.5 Credit risk

(i) Exposures to credit risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. The credit risk arises from its operating activities (i.e. primarily trade receivables), from its investing activities including deposits with banks and financial institutions and other financial instruments.

(ii) Credit risk management

1) Trade receivable

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹561.52 Crores (March 31, 2022 - ₹ 357.66 Crores).
Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.
The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the group customers' financial condition; ageing of trade accounts receivable and the Group's historical loss experience.
Trade receivables are written off when there is no reasonable expectation of recovery. The allowance for lifetime expected credit loss on customer balances as at March 31, 2023 was- ₹ 4.14 Crores (March 31, 2022 - ₹ 2.11 Crores).

Loss allowance as at 31 March 2023 was determined as follows for trade receivables under the simplified approach

As at 31 March 2023	Not Due	0-30 Days Past Due	31–60 days past due	61–90 days past due	91–180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	510.61	23.27	7.86	2.56	12.32	4.16	4.88	565.66
Expected loss rate	-	-	-	-	-	(6%)	(80%)	
Expected credit losses– trade receivables	-	-	-	-	-	(0.26)	(3.88)	(4.14)
Carrying amount of trade receivables (net of impairment)	510.61	23.27	7.86	2.56	12.32	3.90	1.00	561.52

Loss allowance as at 31 March 2022 was determined as follows for trade receivables under the simplified approach

As at 31 March 2022	Not Due	0-30 Days Past Due	31–60 days past due	61–90 days past due	91–180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	299.58	35.06	4.32	11.60	0.48	6.65	2.08	359.77
Expected loss rate	-	-	-	-	-	-	(100%)	
Expected credit losses– trade receivables	-	-	-	-	-	(0.03)	(2.08)	(2.11)
Carrying amount of trade receivables (net of impairment)	299.58	35.06	4.32	11.60	0.48	6.62	-	357.66

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Movement in the credit loss allowance

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	2.11	2.04
Movement in expected credit loss allowance on trade receivable calculated at lifetime expected credit losses	2.03	0.07
Balance at the end	4.14	2.11

2) Cash and Cash Equivalent

Credit risk on cash and cash equivalents is limited as group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

3) Investment in Mutual Funds

Credit risk on investments in mutual fund is limited as group invested in mutual funds issued by the financial institutions with high credit ratings assigned by credit rating agencies.

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47.6 Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

i) **Liquidity risk tables**

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2023 and March 31, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

ii) **Maturities of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Carrying amount	Less than 1 year	More than 1 year	Total
As at March 31, 2023				-
- Borrowing	848.65	95.52	753.13	848.65
- Trade payable	243.48	243.48	-	243.48
- Lease liabilities	12.15	5.85	7.17	13.02
- Other financial liabilities (other than derivative liabilities)	107.25	107.25	-	107.25
- Derivative liabilities	0.40	0.40	-	0.40
As at March 31, 2022				
- Borrowing	104.47	4.47	100.00	104.47
- Trade payable	146.53	146.53	-	146.53
- Lease liabilities	16.35	6.31	10.04	16.35
- Other financial liabilities (other than derivative liabilities)	178.42	178.42	-	178.42
- Derivative liabilities	0.26	0.26	-	0.26

48. Share based payments

Details of the employee share based plan of the Company

Employee stock option scheme 2007 ("ESOS 2007") - The Shareholders of the Company at their Annual General Meeting held on July 20,2007 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹ 2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2007, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2007 shall be capable of being exercisable on vesting within 10 years from grant date.

Employee stock option scheme 2017 ("ESOS 2017") - The Shareholders of the Company at their Annual General Meeting held on June 29,2017 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company and its subsidiary companies to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹ 2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2017, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2017 shall be capable of being exercisable on vesting within 10 years from grant date.

(i) The following share-based payment arrangements were in existence during the current and prior years under the scheme:

Scheme	Grant date	Number of Stock Options Granted	Vesting period	Exercise Price (₹)
ESOS 2007	July 28, 2007	1,11,000*	4 Years	74.84
	July 28, 2007	40,000*	4 Years	81.49
	April 28, 2014	4,33,500*	2 Years	78.00
	June 29, 2015	1,50,115*	2 Years	194.80
	October 24, 2016	56,075*	2 Years	554.40
ESOS 2017	March 19, 2018	58,830	2 Years	780.00
	May 9, 2018	725	2 Years	770.35
	January 7, 2019	14,315	2 Years	698.45
	October 19, 2022	155,000	In 4 equal tranches on October 31, 2023, April 1, 2024, April 1, 2025 and April 1, 2026	2.00

*Adjusted to corporate actions of sub-division of shares in the ratio of 5 Equity Shares of ₹ 2.00 each for every 1 Equity Share of ₹ 10.00 each.

(ii) The following reconciles the Stock Options outstanding at the beginning and end of the period:

	Year ended March 31, 2023		Year ended March 31, 2022	
	Number of stock option	Weighted average exercise price (₹)	Number of stock option	Weighted average exercise price (₹)
Balance at beginning of year				
ESOS 2007	10,245	353.65	37,420	345.20
ESOS 2017	29,710	740.72	52,465	757.62
Granted during the year				
ESOS 2007	-	-	-	-
ESOS 2017	155,000	2.00	-	-
Exercised during the year				
ESOS 2007	1,125	274.71	27,175	342.01
ESOS 2017	16,895	710.90	22,755	779.69
Expired during the year				
ESOS 2007	5,705	335.05	-	-
ESOS 2017	1,465	780.00	-	-
Balance at the end year				
ESOS 2007	3,415	410.67	10,245	353.65
ESOS 2017	166,350	55.08	29,710	740.72

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 ₹ 4,145 (March 31, 2022 – ₹ 3,532).

(iii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price (₹)	Share options March 31, 2023	Share options March 31, 2022
July 28, 2007	July 27, 2017	81.49	-	-
April 28, 2014	April 27, 2024	78.00	-	-
June 29, 2015	June 28, 2025	194.80	1,365	5,720
October 24, 2016	October 23, 2026	554.40	2,050	4,525
March 19, 2018	March 18, 2028	780.00	11,350	15,395
May 9, 2018	May 8, 2028	770.35	-	-
January 7, 2019	January 6, 2029	698.45	-	14,315
October 19, 2022	October 18, 2032	2.00	155,000	-

(iv) The weighted average fair value of the options granted during the year is 4,091.85 (March 31, 2022: Nil). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2023 included:

Grant Date	October 19, 2022			
	Vest 1	Vest 2	Vest 3	Vest 4
Vesting date	October 31, 2023	April 01, 2024	April 01, 2025	April 01, 2026
Volatility	38.07%	38.07%	37.88%	39.95%
Risk-Free rate of return	7.33%	7.33%	7.36%	7.37%
Exercise Price	2.00	2.00	2.00	2.00
Expected Life (Time to Maturity)	5.5	5.5	6.0	6.5
Dividend yield	0.79%	0.79%	0.79%	0.79%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Expenses arising from employee share based payment transaction recognised in the Statement of Profit and Loss as part of employee benefit expense for the year ended March 31, 2023 is ₹ 16.79 (March 31, 2022: NIL). Also refer note 34.

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49. Related party transactions

Following are the name and relationship of related parties with whom Company have transactions/ balances:

a. Enterprises over which key management personnel and their relatives are able to exercise significant influence

Sri Sadguru Seva Sangh Trust
M/s Vigil Juris

b. Entity over which Company has joint control (i.e. joint venture)
Swarnim Gujarat Fluorspar Private Limited, India

c. Key Management personnel
Mr. Vishad P. Mafatlal - Chairman
Mr. Radhesh R. Welling - Managing Director
Mr. Mohan M. Nambiar - Non-Independent Non-Executive Director
Mr. Pradip N. Kapadia - Independent Non-Executive Director
Mr. Sunil S. Lalbhai - Independent Non-Executive Director
Mr. Sudhir G. Mankad - Independent Non-Executive Director
Mr. Harish H. Engineer - Independent Non-Executive Director
Mr. Atul K. Srivastava - Independent Non-Executive Director
Mrs. Radhika V. Haribhakti - Independent Non- Executive Director
Mr. Ashok U. Sinha - Independent Non- Executive Director
Mr. Sujal A. Shah - Independent Non- Executive Director
Mrs. Apurva S. Purohit - Independent Non- Executive Director

49.1 Disclosures in respect of significant transactions with related parties during the year:

Transactions	Year ended March 31,2023	Year ended March 31,2022
Donation		
Sri Sadguru Seva Sangh Trust	2.00	2.00
Legal / Professional fees paid		
M/s Vigil Juris	0.33	0.00
Managerial remuneration (Short Term Employee Benefit)#	25.05	16.54
Director Sitting fees and Commission*	3.39	2.81

Excludes provision for gratuity and compensated absences which are determined based on an actuarial valuation done on overall basis for the group and accordingly individual figure are not available.

* Commission payable to Independent / Non-Independent, Non-executive directors of ₹ 3.39 crores for the year ended March 31, 2023 is subject to approval of shareholders.

49.2 Disclosures of closing balances:

Transactions	As at March 31, 2023	As at March 31, 2022
Amount due to Directors		
Mr. Vishad P. Mafatlal	6.67	5.44
Mr. Radhesh R. Welling	4.45	3.63
Mr. Mohan M. Nambiar	0.28	0.25
Mr. Pradip N. Kapadia	0.28	0.25
Mr. Sunil S. Lalbhai	0.28	0.25
Mr. Sudhir G. Mankad	0.28	0.25
Mr. Harish H. Engineer	0.28	0.25
Mr. Atul K. Srivastava	0.34	0.25
Mrs. Radhika V. Haribhakti	0.28	0.25
Mr. Ashok U. Sinha	0.28	0.25
Mr. Sujal A. Shah	0.30	0.25
Mrs. Apurva S. Purohit	0.28	0.12

Terms and Condition:

1. **Sales**
   The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists. For the year ended March 31, 2023, the Group has not recorded any loss allowances for trade receivables from related parties.

2. **Purchases**
   The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and at market rates.

3 **Guarantees for joint venture company**
Guarantees provided to the lenders of the joint venture company are for availing term loans from the lender banks.

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NAVIN FLUORINE INTERNATIONAL LTD.

50. Capital and Other Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
i. Capital commitments for Property, Plant and Equipment:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	366.86	212.26
ii. Other commitments:		
Estimated amount of obligation on account of non-fulfillment of export commitments under various advance licenses	-	0.09

51. Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Group not acknowledged as debts		
a. Income tax matters - Matters decided against the group in respect of which the group has preferred an appeal.	3.55	3.55
b. Excise duty matters	4.23	4.23
c. Sales-tax matters	0.87	0.87
d. Employee related matters	0.07	0.07
e. Goods and Service tax matters	0.83	-
f. Other Corporate guarantee / Bank guarantees	0.15	0.15

Note : It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

52. Research and development expenditure

The details of research and development expenditure of ₹ 36.39 Crores (as at March 31, 2022 ₹ 34.89 Crores) included in the figures reported under notes 5A, 7 and 32 to 37 are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Expenditure	5.65	8.67
Revenue Expenditure	30.74	26.22
Total	**36.39**	**34.89**
The details of revenue expenditure incurred on research and development are as under :		
Salaries / Wages	16.45	13.74
Material / Consumable / Spares	6.83	5.62
Utilities	2.16	1.58
Other expenditure	3.38	3.61
Depreciation	1.92	1.67
	30.74	**26.22**

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53. Mafatlal Industries Limited was executing a project in Iraq when hostilities broke out between Iraq and Kuwait in 1990-91, resulting in suspension of project work. In view of the post war sanctions imposed by the United Nations and the Government of India, suspended operations could not be resumed. The customer's bankers have asked for extension of bank guarantees for advance payment and performance and the State Bank of India (SBI), in turn, had claimed that the funds deposited with them in respect of the aforesaid project are subject to lien which was subsequently released on alternate arrangements. In view of the continuing uncertain circumstances, the receipts and payments under the contracts, transferred to the Group pursuant to the sanctioned scheme of Mafatlal Industries Limited, continue to be carried forward and necessary adjustments would be made on the status of the project becoming clearer. (Refer note 13 and note 28)

54. Before transfer of assets to Sulakshana Securities Limited (SSL) by Mafatlal Industries Limited (MIL) pursuant to its sanctioned scheme of rehabilitation, MIL had initiated steps for revision in rent/recovery of expenses and filed legal proceedings for eviction of some of its tenants/ (now) ex-tenants who were occupying at that time some of the premises in its building at Nariman Point, Mumbai. Pending resolution of those legal cases, rent of ₹ Nil, previous year, ₹ Nil, (aggregate to date, ₹ 0.66 Crores, as at 31st March, 2022, ₹ 0.66 Crores) and recovery of expenses, of ₹ Nil, previous year, ₹ Nil (aggregate to date, ₹ 0.42 Crores, as at 31st March, 2022 ₹ 0.42 Crores), have not been accounted, on legal advice. The ex-tenants have filed Civil Revision Application and secured a stay from the Hon'ble Bombay High Court in April 2013 against the Order of the appeal bench of Hon'ble Small Causes Court awarding an increased amount to SSL. During the year 2014-15, pursuant to the directions of the Hon'ble Bombay High Court and the Undertakings provided by SSL, SSL received ₹ 6.56 Crores deposited by the ex- tenants, which is subject to final disposal of the matter. SSL is liable to refund the amount if the final decision goes against it. Pending final decision on the matter, the aforesaid amount has been kept in Term deposit account and the interest thereon is not considered as an Income.

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55. Interests in other entities

a. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March 2023	As at 31st March 2022
Sulakshana Securities Limited - SSL	Lease rental of investment property	India	100%	100%
Navin Fluorine Advanced Sciences Limited - NFASL	Chemical Business	India	100%	100%
Manchester Organics Limited - MOL	Chemical Business	U.K	100%	100%
Navin Fluorine (Shanghai) Co. Ltd	Chemical Business	China	100%	100%
NFIL (UK) Limited	Chemical Business	U.K	100%	100%
NFIL (USA) Inc - Step down subsidiary	Chemical Business	USA	100%	100%

b. Interest in Joint Venture

Aggregate information of Joint Ventures that are not individually material

Particulars	As at 31st March 2023	As at 31st March 2022
The Group's share of loss from operations	(0.01)	(0.01)
The Group's share of other comprehensive income	-	-
The Group's share of loss in total comprehensive loss	(0.01)	(0.01)

Particulars	As at 31st March 2023	As at 31st March 2022
Aggregate carrying amount of the Group's interests in the Joint Ventures	0.75	0.76

There is no change in the group's ownership interest in Joint Ventures. There are no significant restrictions on the ability of Joint Ventures to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

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c. Additional disclosures required by Schedule III

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
Parent								
Navin Fluorine International Limited	65.19%	1,424.42	81.49%	305.76	100.49%	2.05	81.59%	307.81
Subsidiaries								
Indian								
Sulakshana Securities Limited - SSL	0.67%	14.66	1.03%	3.88	-	-	1.03%	3.88
Navin Fluorine Advances Sciences Limited- NFASL	30.10%	657.63	18.03%	67.63	-0.49%	(0.01)	17.93%	67.62
Foreign								
Manchester Organics Limited - MOL	1.14%	24.93	-0.71%	(2.67)	-	-	-0.71%	(2.67)
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.16	0.01%	0.04	-	-	0.01%	0.04
NFIL (UK) Limited	2.79%	60.87	-0.01%	(0.04)	-	-	-0.01%	(0.04)
NFIL (USA) Inc	0.07%	1.53	0.16%	0.59	-	-	0.16%	0.59
Joint Ventures (as per equity method)								
Indian								
Swarnim Gujarat Fluorspar Private Limited – SGFPL	0.03%	0.75	0.00%	(0.01)	-	-	0.00%	(0.01)
Total March 31, 2023	**100.00%**	**2,184.95**	**100.00%**	**375.18**	**100.00%**	**2.04**	**100.00%**	**377.22**

56. The Board of Directors has recommended final dividend of ₹ 7.00 per share on the face value of ₹ 2.00 each (350%), subject to approval by the Members at the forthcoming Annual General Meeting of the Company.

57. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i. **Details of benami property held**

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii **Borrowing secured against current assets**

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

iii **Wilful defaulter**

None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv **Relationship with struck off companies**

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956

v **Compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vi **Compliance with approved scheme(s) of arrangements**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii **Utilisation of borrowed funds and share premium**

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii **Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix **Details of crypto currency or virtual currency**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

x **Valuation of PP&E, intangible asset and investment property**

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

xi **Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes 5A a nd 6 to the financial statements, are held in the name of the Group.

xii **Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

NAVIN FLUORINE INTERNATIONAL LTD.

As per our report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani
Partner
Membership No. 48125

Mumbai
Date : May 13, 2023

For and on behalf of the Board of Directors

V. P. Mafatlal (DIN:00011350)
Chairman

R. R. Welling (DIN:07279004)
Managing Director

N. B. Mankad
Company Secretary

A. P. Ganatra
Chief Financial Officer

Mumbai
Date : May 13, 2023

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, have been included in this Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (including existing shareholding) (%)[^#]
1	GOVERNMENT PENSION FUND GLOBAL	3.35
2	GOLDMAN SACHS FUNDS - GOLDMAN SACHS INDIA EQUITY PORTFOLIO	1.62
3	KOTAK FUNDS - INDIA MIDCAP FUND	1.34
4	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA SMALL CAP FUND	1.11
5	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS SMALL CAP FUND	1.02
6	ABU DHABI INVESTMENT AUTHORITY - MONSOON	0.92
7	ABU DHABI INVESTMENT AUTHORITY - MONSOON	0.92
8	SBI LIFE INSURANCE CO. LTD	0.65
9	AXIS ELSS TAX SAVER FUND	0.61
10	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE SMALL CA	0.51
11	EDELWEISS TRUSTEESHIP CO LTD AC- EDELWEISS MF AC- EDELWEISS MID CAP FUND	0.48
12	AXIS MUTUAL FUND TRUSTEE LTD A/C AXIS MUTUAL FUND A/C AXIS FLEXI CAP FUND	0.37
13	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY A	0.36
14	KUWAIT INVESTMENT AUTHORITY FUND F238	0.35
15	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	0.34
16	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE MIDCAP F	0.33
17	UTI-MID CAP FUND	0.29
18	SBI EQUITY SAVINGS FUND	0.25
19	NIPPON INDIA INVESTMENT UNIT TRUST - NIPPON INDIA EQUITY FUND	0.20
20	MOTILAL OSWAL LARGE CAP FUND	0.17
21	WHITEOAK CAPITAL FLEXI CAP FUND	0.13
22	EDELWEISS TRUSTEESHIP CO LTD AC- EDELWEISS MF AC- EDELWEISS FLEXI CAP FUND	0.11
23	ITI MID CAP FUND	0.09
24	WHITEOAK CAPITAL MID CAP FUND	0.09
25	EDELWEISS TRUSTEESHIP CO LTD AC- EDELWEISS MF AC- EDELWEISS AGGRESIVE HYBRID FUN	0.08
26	GREATER INDIA PORTFOLIO	0.07
27	BARODA BNP PARIBAS MANUFACTURING FUND	0.06
28	WHITEOAK CAPITAL SPECIAL OPPORTUNITIES FUND	0.06
29	UTI-MNC FUND	0.06

30	UTI MULTI CAP FUND	0.04
31	WHITEOAK CAPITAL MULTI CAP FUND	0.04
32	WHITEOAK CAPITAL LARGE AND MID CAP FUND	0.04
33	ITI FLEXI CAP FUND	0.03
34	WHITEOAK CAPITAL PHARMA AND HEALTHCARE FUND	0.03
35	UTI BALANCED ADVANTAGE FUND	0.03
36	ITI VALUE FUND	0.03
37	WHITEOAK CAPITAL BALANCED ADVANTAGE FUND	0.02
38	WHITEOAK CAPITAL LARGE CAP FUND	0.02
39	KOTAK INFINITY FUND - CLASS AC	0.02
40	WHITEOAK CAPITAL MULTI ASSET ALLOCATION FUND	0.02
41	WHITEOAK CAPITAL QUALITY EQUITY FUND	0.02
42	ITI PHARMA AND HEALTHCARE FUND	0.01
43	WHITEOAK CAPITAL ELSS TAX SAVER FUND	0.01
44	KOTAK GLOBAL FUNDS	0.00
45	WHITEOAK CAPITAL BALANCED HYBRID FUND	0.00
46	WHITEOAK CAPITAL EQUITY SAVINGS FUND	0.00

^ *Based on beneficiary position as on July 8, 2025.*

 # The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.

Notes:

i. *Subject to receipt of funds and Allotment pursuant to the Issue.*

DECLARATION

The Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on the Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Nitin Ganpati Kulkarni
Managing Director

Date: July 10, 2025
Place: Mumbai

DECLARATION

We, the Board of Directors of the Company, certify that:

(i) The Company has complied with the provisions of the Companies Act, 2013;

(ii) the compliance with the Companies Act, 2013 does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in the Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

_____
Nitin Ganpati Kulkarni
Managing Director

Date: July 10, 2025
Place: Mumbai

I am authorized by the fund raising committee of the Board, *vide* resolution dated July 10, 2025, to sign this form and declare that all the requirements of the Companies Act, 2013 in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Nitin Ganpati Kulkarni
Managing Director

Date: July 10, 2025
Place: Mumbai

NAVIN FLUORINE INTERNATIONAL LIMITED

Registered and Corporate Office:
Office No. 602, Natraj by Rustomjee,
Near Western Express Highway, Sir Mathuradas Vasanji Road,
Andheri (East), Mumbai 400 069,
Maharashtra, India
Tel: +91 22 66509999
Fax: +91 22 66509800

Contact Person:
Niraj Bipinchandra Mankad
Designation: President – Legal and Company Secretary
Address: Office No. 602, Natraj by Rustomjee,
Near Western Express Highway, Sir Mathuradas Vasanji Road,
Andheri (East), Mumbai 400 069,
Maharashtra, India

BOOK RUNNING LEAD MANAGER

JM Financial Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

Price Waterhouse Chartered Accountants LLP
252, Veer Savarkar Marg,
Shivaji Park, Dadar (West),
Mumbai, Maharashtra-400028, India

LEGAL COUNSEL TO OUR COMPANY

As to Indian law

Cyril Amarchand Mangaldas
Peninsula Chambers, Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013, Maharashtra, India

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER

As to Indian law

Khaitan & Co
7th & 8th Floors, Max Towers
Sector 16B, Noida, Gautam Budh Nagar 201 301
Uttar Pradesh, India

INTERNATIONAL LEGAL COUNSEL TO THE LEAD MANAGER WITH RESPECT TO SELLING AND TRANSFER RESTRICTIONS

Hogan Lovells (Middle East) LLP
19th Floor, Al Fattan Currency Tower
Dubai International Financial Centre
PO Box 506602
Dubai, UAE

SAMPLE APPLICATION FORM

An indicative format of the Application Form is set forth below. :

(Note: The format of the Application Form included herein below is indicative and for illustrative purposes only, and no Bids in this Issue should be made through the sample Application Form. The Company, in consultation with the Book Running Lead Manager, shall identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form, and not on the basis of the indicative format below.)

PADMANABH MAFATLAL GROUP Creating value. Sharing value. **Navin Fluorine International Limited**	**APPLICATION FORM** Name of Bidder: _____ Form No: _____ Date: _____
Registered and Corporate Office: Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400 069, Maharashtra, India; **Tel**: +91 22 6650 9999; **Contact Person**: Niraj Bipinchandra Mankad, President – Legal and Company Secretary; **E-mail**: investor.relations@nfil.in **Website**: www.nfil.in; **Corporate Identity Number**: L24110MH1998PLC115499 **ISIN:** INE048G01026 | **LEI: 335800OVIUAAKYG44C59**	

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 2 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") AGGREGATING TO APPROXIMATELY ₹ [●] CRORE UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY NAVIN FLUORINE INTERNATIONAL LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS 4,798.28 AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (e) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"); can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) are not permitted to participate in the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions*" in the accompanying preliminary placement document dated July 7, 2025 (the "PPD").

ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES"). ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE AS PRESCRIBED UNDER THE FEMA RULES. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES.

To,

The Board of Directors
Navin Fluorine International Limited
Registered and Corporate Office:Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas Vasanji Road, Andheri (East), Mumbai 400 069, Maharashtra, India;

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) hold a valid and existing registration under the applicable laws in India (as applicable); and (c) are not restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the Promoter or persons related to Promoter of the Company, veto rights or right to appoint any

STATUS (Please ü)			
FI	Scheduled Commercial Banks and Financial Institutions	AIF	Alternative Investment Fund*
MF	Mutual Funds	IF	Insurance Funds
FPI	Eligible Foreign Portfolio Investors**	NIF	National Investment Fund
VCF	Venture Capital Funds**	SI-NBFC	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	OTH	Others _____ (Please specify)
* Sponsor and Manager should be Indian owned and controlled. **Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue			

nominee director on the Board of Directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**SEBI Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("FPI") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "Eligible FPIs"), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with JM Financial Limited (the "BRLM"), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the confirmation of allocation note ("CAN"), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; and; (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Mumbai (the "RoC") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the BSE Limited and National Stock Exchange of India Limited (together, the "Stock Exchanges"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections titled "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "Risk Factors" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment and in compliance with the restrictions included in the section "Transfer Restrictions" in the PPD; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the BRLM, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLM. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. We hereby represent that we are located outside the United States and are purchasing the Equity Shares in "offshore transactions" , as defined in and in reliance on Regulation S under the U.S. Securities Act and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. We confirm that we have read and hereby make the representations, warranties, acknowledgments and agreements contained in the sections titled "***Selling Restrictions***" and "***Transfer Restrictions***" of the Preliminary Placement Document

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		**FAX. NO.**	
MOBILE NO.			
EMAIL ID			
LEI	335800OVIUAAKYG44C59		
FOR ELIGIBLE FPIs**	SEBI FPI Registration Number:		
FOR MFs	SEBI MF Registration Number:		
FOR AIFs***	SEBI AIF Registration Number:		
FOR VCFs***	SEBI VCF Registration Number:		
FOR SI-NBFC	RBI Registration Details:		
FOR INSURANCE	IRDAI Registration Details:		

COMPANIES	
FOR PENSION FUNDS	PFRDA Registration Details:

**Name should exactly match with the name in which the beneficiary account is held. Application Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLM.*

*** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLM will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY [●]. (IST), [●], 2025 being the Bid / Issue closing Date **[●]**	
Name of the Account	Navin Fluorine International Limited – QIP Escrow Account -2025
Name of the Bank	Axis Bank Limited
Address of the Branch of the Bank	Hill Road Branch, Bandra (West)
Account Type	Current for non-commercial
Account Number	925020031451020
LEI Number	335800OVIUAAKYG44C59
IFSC	UTIB0001621
SWIFT Code	AXISINBB028
Tel No.	Rahul - 8879877226 (Branch head) Neha - 9930916212 (Operations head)
E-mail	Oprh1621@axisbank.com / rahul22.patel@axisbank.com

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "[●]". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

DEPOSITORY ACCOUNT DETAILS																										
Depository Name (Please ü)	National Security Depository Limited									Central Depository Services (India) Limited																
Depository Participant Name																										
DP – ID	I	N																								
Beneficiary Account Number										(16 digit beneficiary account. No. to be mentioned above)																
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.																										

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICE PER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In figures)		(In words)	

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		FAX NO.	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Signature of Authorised Signatory (may be signed either physically or digitally)**	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following:
☐ Copy of PAN Card or PAN allotment letter
☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
☐ Copy of notification as a public financial institution
☐ FIRC
☐ Copy of IRDAI registration certificate for IC
☐ Intimation of being part of the same group
☐ Certified true copy of Power of Attorney
☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLM.

(3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.

(4) The duly filed Application Form along with all enclosures shall be submitted to the BRLM either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.