PADMANABH MAFATLAL GROUP

Creating value. Sharing value.

Responsible Care®

**June 1, 2017**

**Bombay Stock Exchange Ltd.,**
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
Stock Code : 532504

**National Stock Exchange of India Ltd.**
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051
Stock Code : NAVINFLUOR EQ

Dear Sirs,

**Sub : Intimation of Schedule of Analyst / Institutional Investor meetings under the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015**

Pursuant to the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we would like to inform you that the officials of the Company will be attending the following the Conference of institutional investors.

| Date | Event | Organised by | Place |
|---|---|---|---|
| June 6, 2017 | Trinity India - 2017 Conference | Batliwala and Karani Securities | Mumbai |

Also, please find attached the copy of Investor Presentation – May 2017 for the information of your members and the public at large. The copy of the Investor Presentation has also been uploaded on the website of the Company www.nfil.in. The said presentation will be shared with Investors at the conference.

This information is submitted to you pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

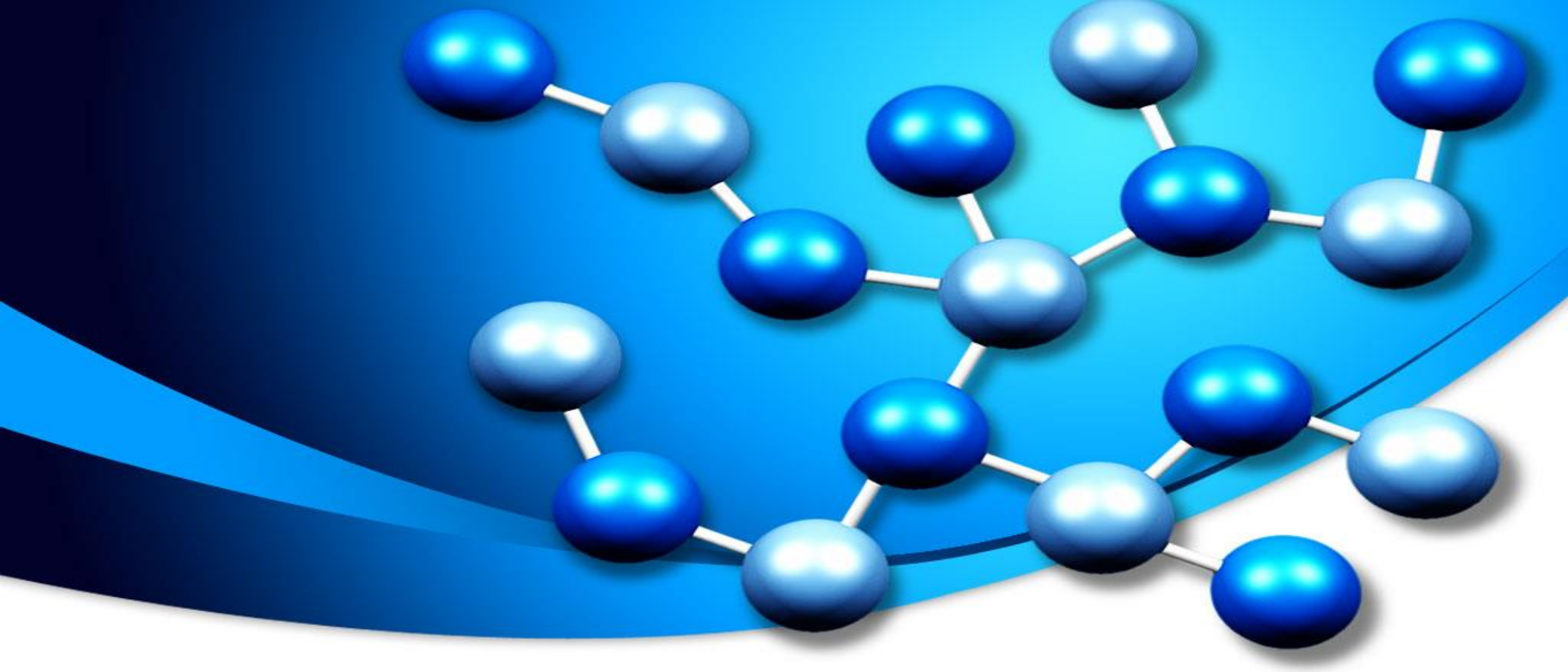
Kindly note that changes may happen due to exigencies on the part of Host / Company.

Thanking You,

Yours faithfully,
**For NAVINFLUORINE INTERNATIONAL LIMITED**

**(Niraj Mankad)**
**Vice-President Legal & Company Secretary**

Encl : as above



# Navin Fluorine International Limited

## Investor Presentation

May 2017

# Safe Harbor

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

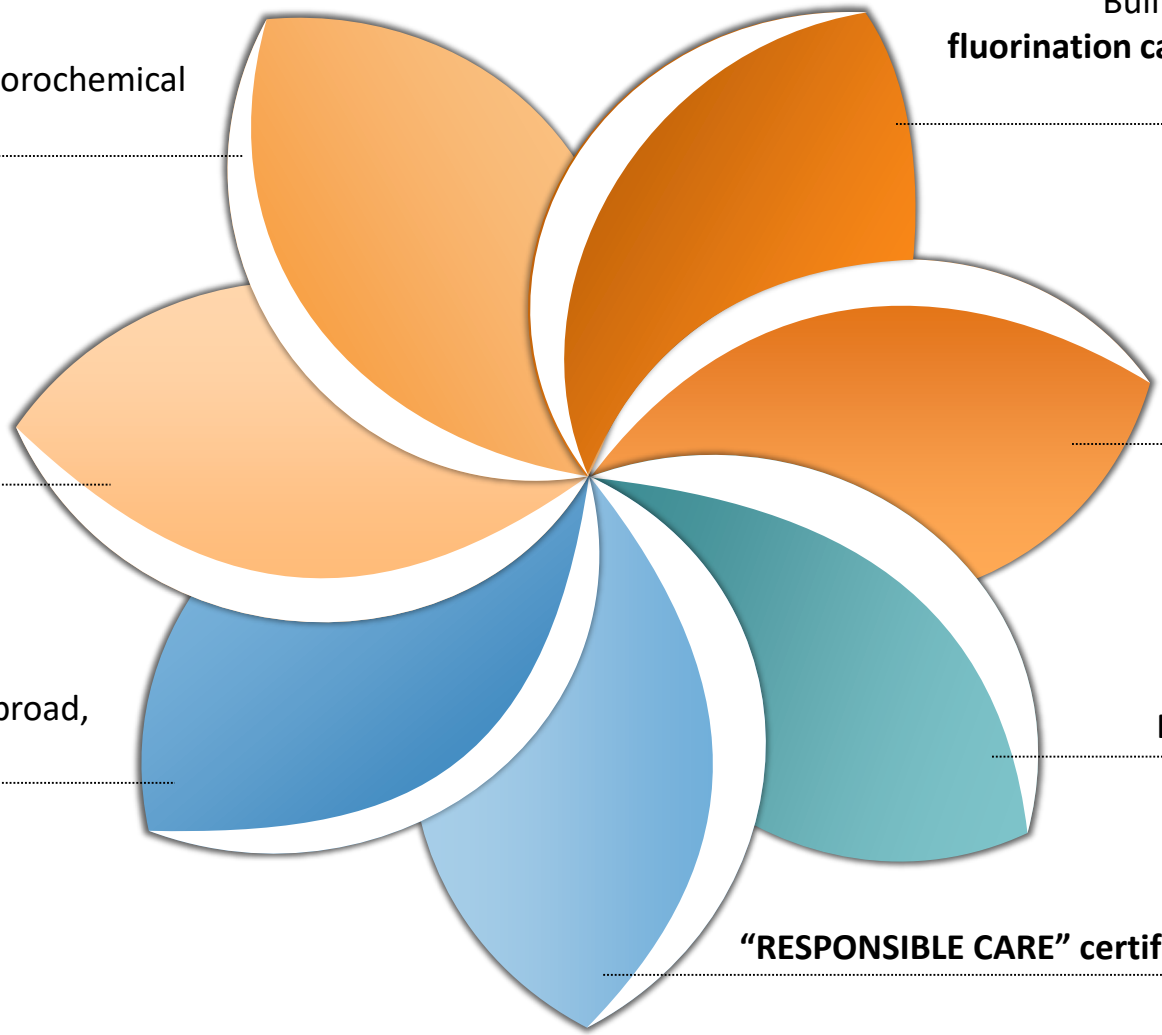
*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness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

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

# Navin Fluorine International Limited

**Largest Integrated** Specialty Fluorochemical Company in India

Built "**India's only plant with high pressure fluorination capabilities with cGMP compliance"** for CRAMS Business



Manufacturing **plants strategically located** closer to major ports

Over **45 years** of expertise in Handling Fluorine

**Strong Clientele** base in India & abroad, including Global Innovators

**Pioneers** of Refrigerant Gas manufacturing in India

**"RESPONSIBLE CARE" certification**

# Fluorine Chemistry – A Growing Landscape

**Global demand for Fluoro-chemicals in 2018 to reach 4.0 Millon MT, with CAGR of 4% per annum**

Pharmaceuticals

Agriculture

Electronics

Steel

Solar / Energy

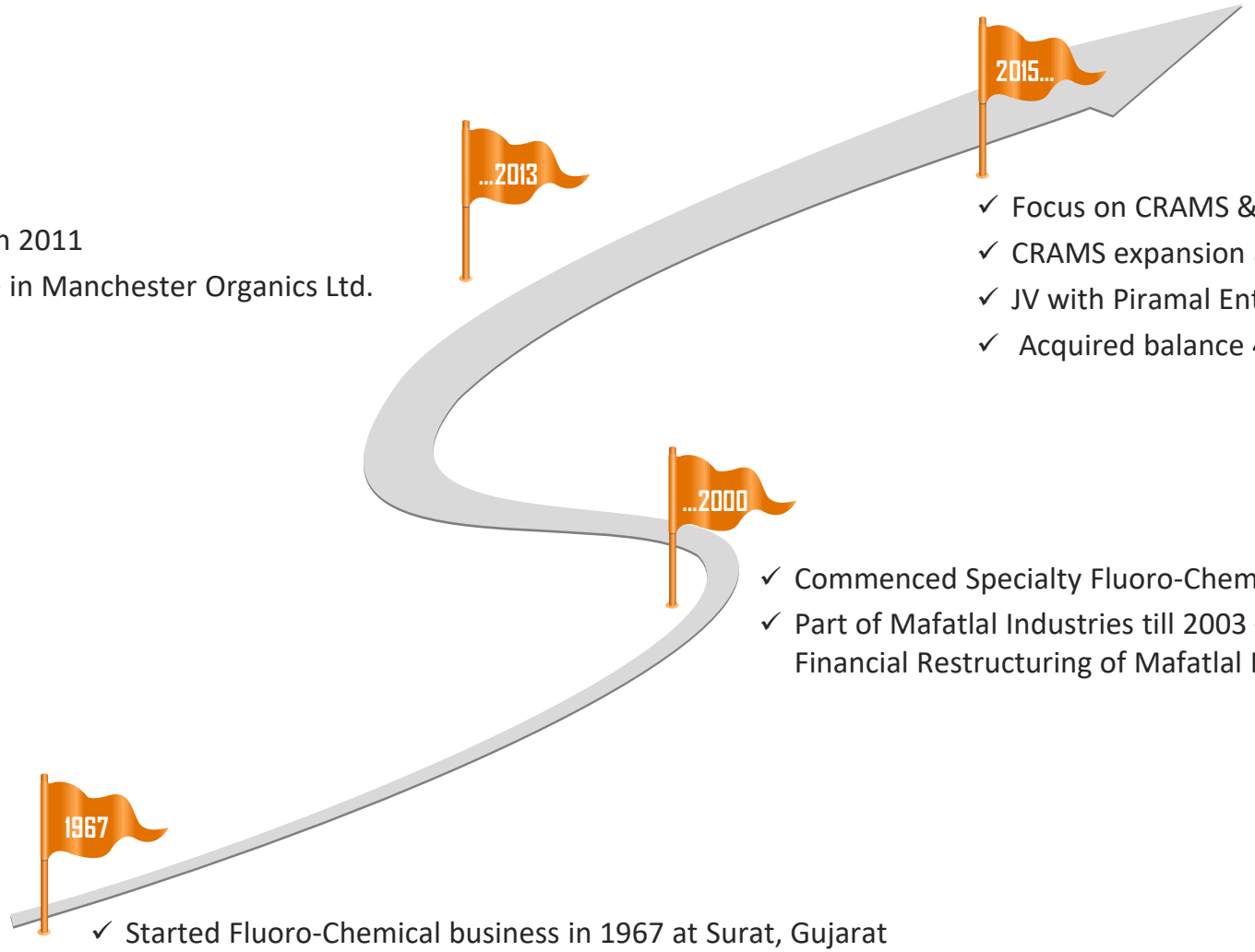
Aluminum

White Goods

Automotive

Glass

# Evolution of NFIL




✓ Started Fluoro-Chemical business in 1967 at Surat, Gujarat

✓ Commenced Specialty Fluoro-Chemical business in 2000
✓ Part of Mafatlal Industries till 2003 – Divested at the time of Financial Restructuring of Mafatlal Industries

✓ Commenced CRAMS business in 2011
✓ Acquisition of 51% equity stake in Manchester Organics Ltd. (MOL) in 2011
✓ Fluorspar JV with GMDC & GFL

✓ Focus on CRAMS & Specialty Chemical Segment to drive growth
✓ CRAMS expansion at Dewas
✓ JV with Piramal Enterprises at Dahej
✓ Acquired balance 49% stake in MOL

# Professional Management

**Mr. Vishad Mafatlal – Chairman**

**Professional Team ….**

**Mr. Shekhar Khanolkar : Managing Director**

Chemical Engineer with Masters in Management studies and an alumni of Harvard Business School

Spent more than 21 years in the Chemical industry with both Indian & Multinational Chemical majors

Been on the Board of the Company since 2008

**Mr. Sitendu Nagchaudhuri : Chief Financial Officer**

Fellow Chartered Accountant, having an experience of more than 24 years in Corporate Finance & Strategy Leadership roles with various Transnational & Indian corporations across diverse sectors within India and abroad

**Dr. Ashis Mukherjee : President – CRAMS / CTO**

Postgraduate in Science from IIT & a Ph.D. from State University of New York, Stonybrook

Total experience of more than 21 years in Pharma, R&D & CRAMS

Spearheading the CRAMs initiatives of the Company since 2009

**Mr. G.C. Jain : President – Operations**

Chemical Engineer and has a Diploma in Management Studies

Total work experience of 34 years in plant operations in India and abroad

Been with the Company since 2011

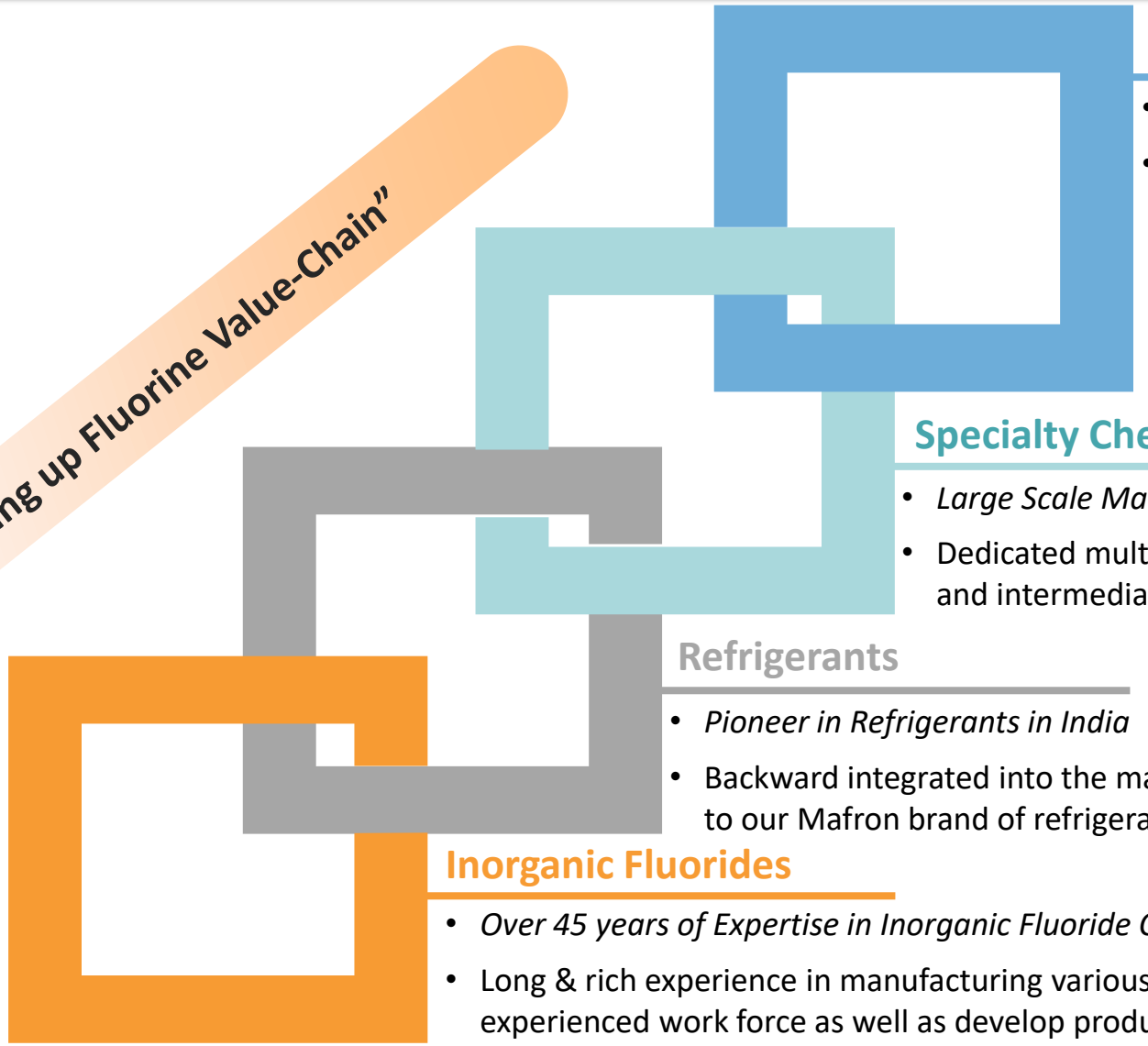
**Mr. Niraj B. Mankad : Vice President – Legal & Company Secretary**

Graduate in commerce with a degree in Law and a member of ICSI

Total work experience of more than 21 years and has been with the group since 1992

# Business Units (BU) - Standalone

Focus on "Rising up Fluorine Value-Chain"



## CRAMS

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

## Specialty Chemicals

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

## Refrigerants

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

## Inorganic Fluorides

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

# Refrigerants

# Inorganic Fluorides

*Sustainable and Stable BUs*

# Refrigerants : Growing Demand for Non-Emissive applications

Product Offering

- ✓ Pioneered manufacturing of refrigerant gases in India in 1967 in Surat, Gujarat
- ✓ MARFON – Brand has become generic name for refrigerants in India
- ✓ Currently, manufactures only Mafron-22 (HCFC-22)

User Base

- ✓ Used in Residential Air Conditioning
- ✓ Used in Industrial / Commercial Cooling
- ✓ Increasingly being used for non-emissive purposes such as feedstock in Pharmaceuticals Industries

Distribution Network

- ✓ Strong Distribution Network of dealers in domestic and overseas markets
- ✓ Preferred Choice for OEMs, Service Technicians and Equipment Owners

Export Outreach

- ✓ Exports to South-East Asia, Middle East, Saudi Arabia, Turkey, Egypt & South Africa
- ✓ Caters to OEM players as well as replacement demand in Overseas Markets

# Inorganic Fluorides : Growth from Exports

Product Offering

- ✓ Portfolio includes 8-10 products
- ✓ One of the largest Anhydrous Hydrofluoric (AHF) and Aqueous Hydrofluoric acid manufacturing capacities in India

User Base

- ✓ Oil & Gas Industry
- ✓ Stainless Steel
- ✓ Pharmaceuticals & Agro chemicals
- ✓ Used in Abrasives
- ✓ Used in Solar Panels

Distribution Network

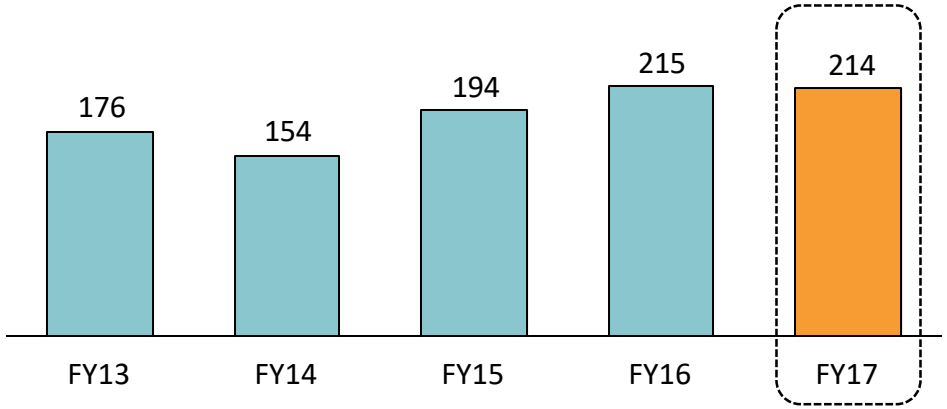
- ✓ Developed Strong network in India
- ✓ Presence in all major user companies

Export Outreach

- ✓ Growing exports
- ✓ From near Zero to ~8% of the turnover in FY17

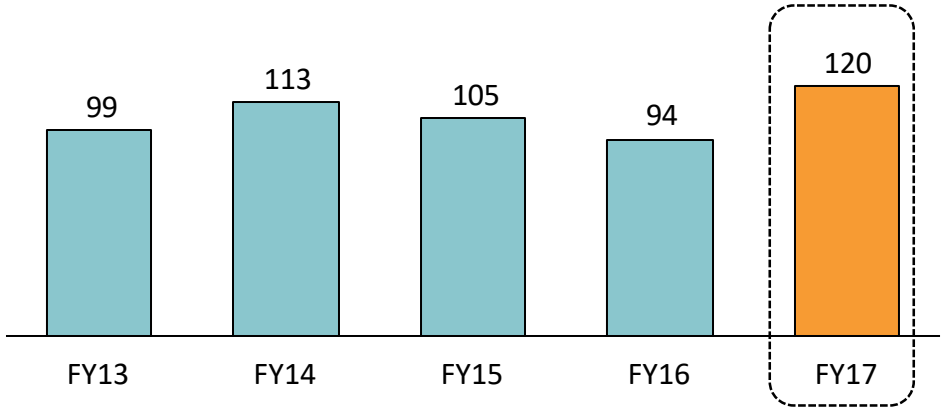
# Business Units Performance

## Refrigerants

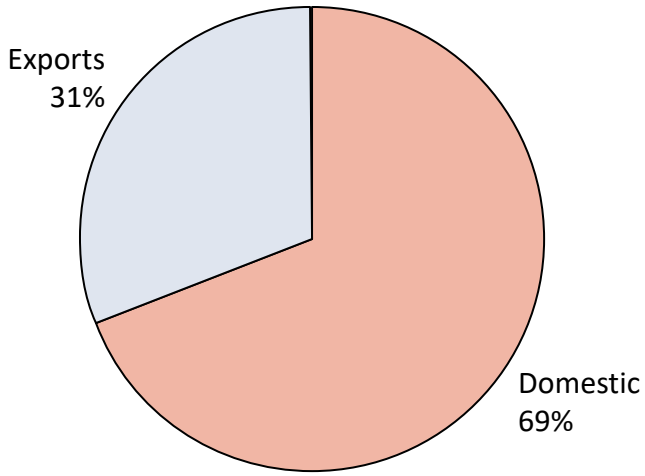


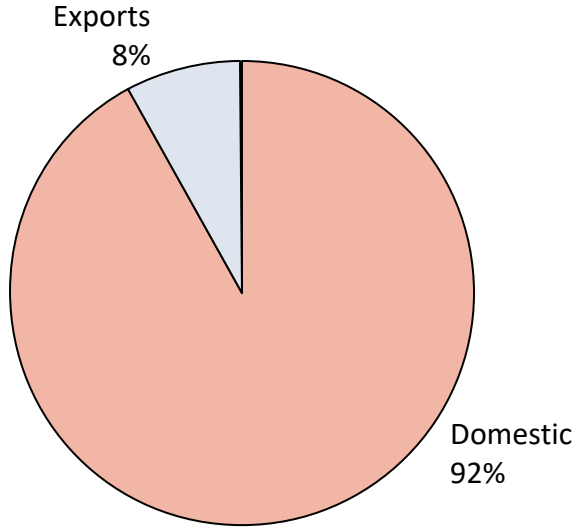

Revenue (Rs. Crs)

## Inorganic Fluorides




Geographic Mix – FY17




** Standalone Results*

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

# Specialty Chemicals

# CRAMS

*Driving up the "**Fluorine** Value **chain**"*

PADMANABH MAFATLAL GROUP

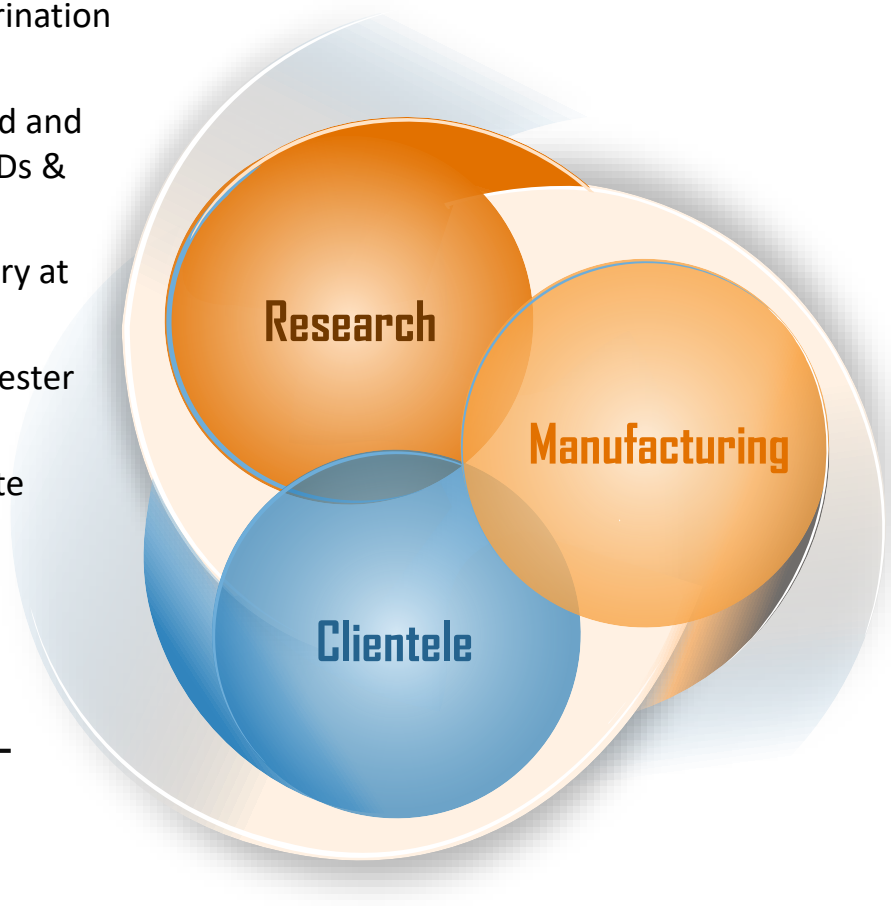
# Specialty Chemicals : Growing product basket

| | |
|---|---|
| Product Offering | ✓ Strong Portfolio of value added Specialty Fluoro intermediates<br>✓ Introduction of novel molecules to expand portfolio |
| User Base | ✓ Used by Pharma, Agchem, Petrochem industries<br>✓ Focus on deeper penetrating into existing users and participation in a wider range of actives and technicals |
| Distribution Network | ✓ Clientele includes world's largest Crop Protection, Pharmaceutical and Chemical Companies<br>✓ Strong presence in both US and the EU |
| Research & Development | ✓ Fully backed by the in-house R&D team<br>✓ Successfully commercialised numerous fluorinated compounds over the last few years |
| Manufacturing | ✓ State-of-the-art manufacturing facility at Surat, Gujarat<br>✓ One of the largest BF3 (Boron Trifluoride) facilities in the world<br>✓ State-of-the-art multi purpose plant in Surat |

# CRAMS : Scalable Growth through INNOVATION

## Strong R&D

- ✓ Leveraging our proven skills in Fluorination Chemistry
- ✓ State of the art R&D led by qualified and experienced chemistry teams of PhDs & Post Doctorals
- ✓ cGMP Pilot Plant with Kilo Laboratory at Dewas, MP
- ✓ European presence through Manchester Organics , UK
- ✓ Delivery on series of projects till date




## "Fortune 500" Clientele

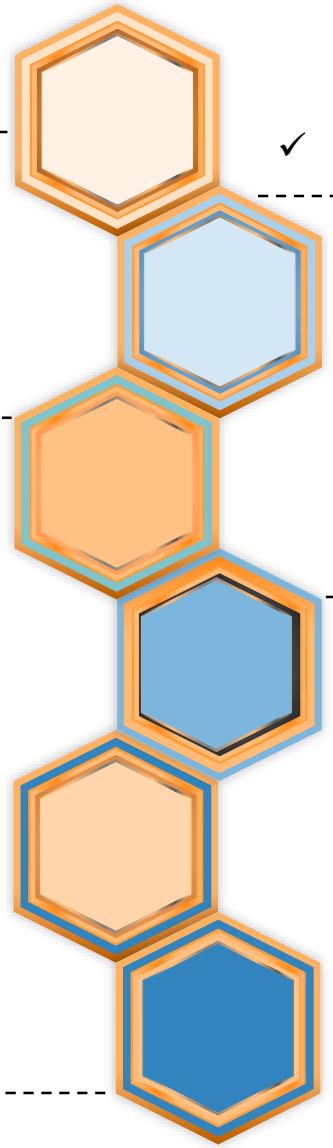
- ✓ Client relationship with global Innovators in Pharma and LifeScience Industries
- ✓ Worked with more than 20+ Global majors

## Developing Contract Manufacturing Base

- ✓ Setting up manufacturing facility for multi-ton batch size, at Dewas MP
- ✓ Investment of Rs. 100 Crs
- ✓ Plant commercially operational
- ✓ New Facility is "India's only plant with high pressure fluorination, cGMP compliant capabilities"

# Manchester Organics - In Perfect Synergy with CRAMS

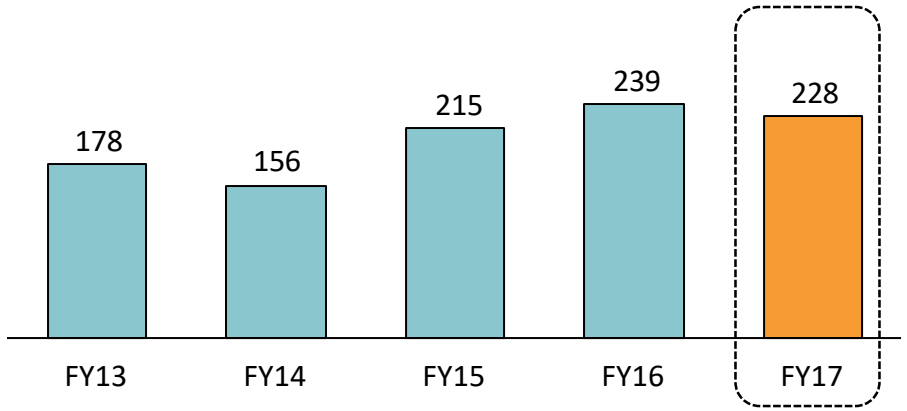
- ✓ Established in 1996, Manchester Organic Ltd (MOL) has a strong legacy in fluorination and high pressure chemistry
- ✓ Offer over 60 years of combined chemistry experience to customers
- ✓ Milligram to multi-kilo research/production facility in the UK with high pressure/specialist fluorination facility
- ✓ Specialist in fluorination technology, with expertise in general organic synthesis at all scales
- ✓ Works directly with R&D Team of Innovator Pharma Companies
- ✓ Continuously expanding product catalogue of over 40,000 compounds, some exclusive to MOL
- ✓ Acquired 51% stake in May 2011
- ✓ Acquired balance 49% in Oct 2015



# Business Units Performance

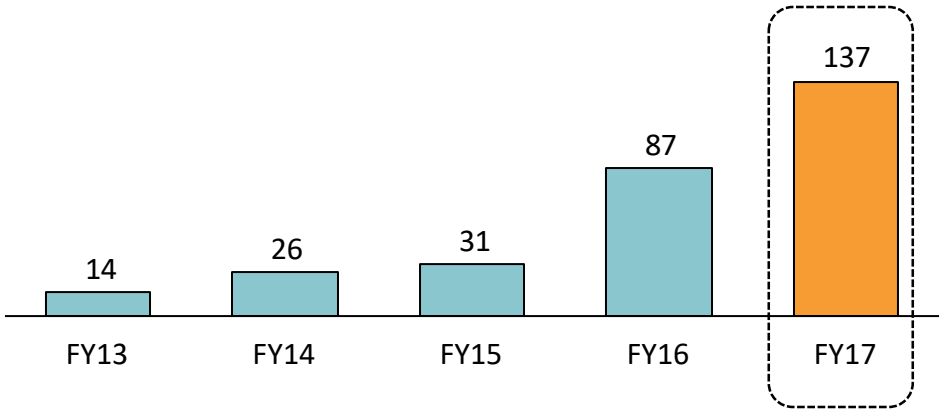
Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

## Specialty Chemicals

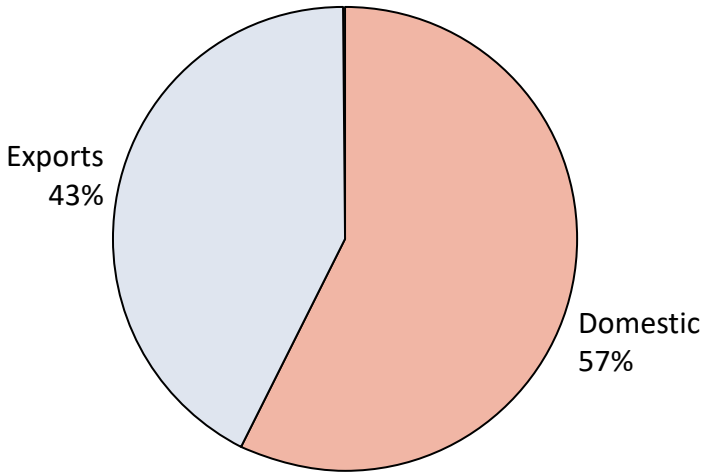



Revenue (Rs. Crs)

## CRAMS**




Geographic Mix – FY17



*** CRAMS business generating revenue since FY13*

PADMANABH MAFATLAL GROUP

# JV with Piramal Enterprises

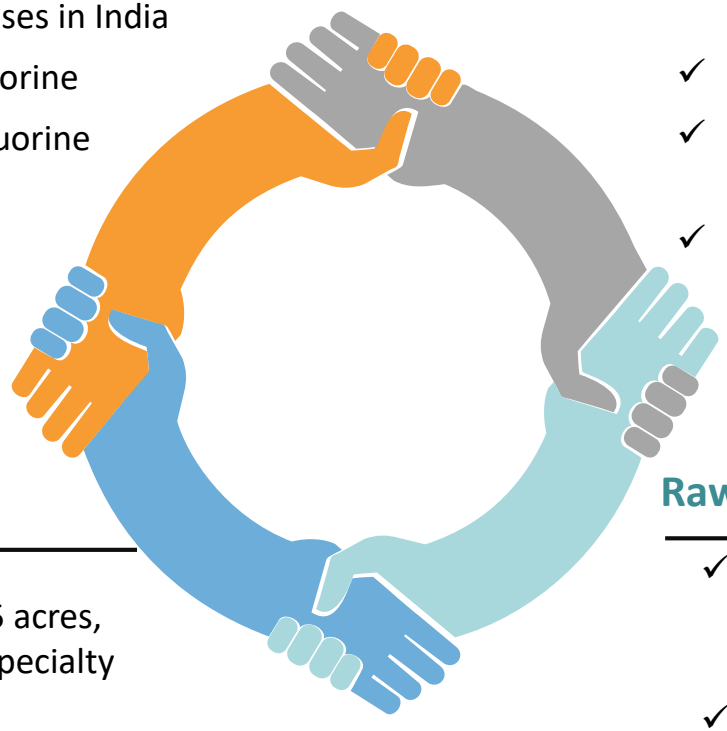
- ✓ Entered into JV with Piramal Enterprises Ltd
  - ✓ 51% - Piramal Enterprises Ltd
  - ✓ 49% - Navin Fluorine International Ltd
- ✓ To develop, manufacture & sell specialty Fluorochemicals for the healthcare segment
- ✓ Investment outlay of ~Rs. 170 Crs.
- ✓ Product validation has been concluded, commercial supplies started
- ✓ Piramal will completely buy out the product and Navin will supply the most critical RM
- ✓ Board approved transfer of unit to JV; subject to shareholders approval

# Clients across the Globe

# Key Strengths

## Fluorination Capabilities

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



## In-house R&D

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

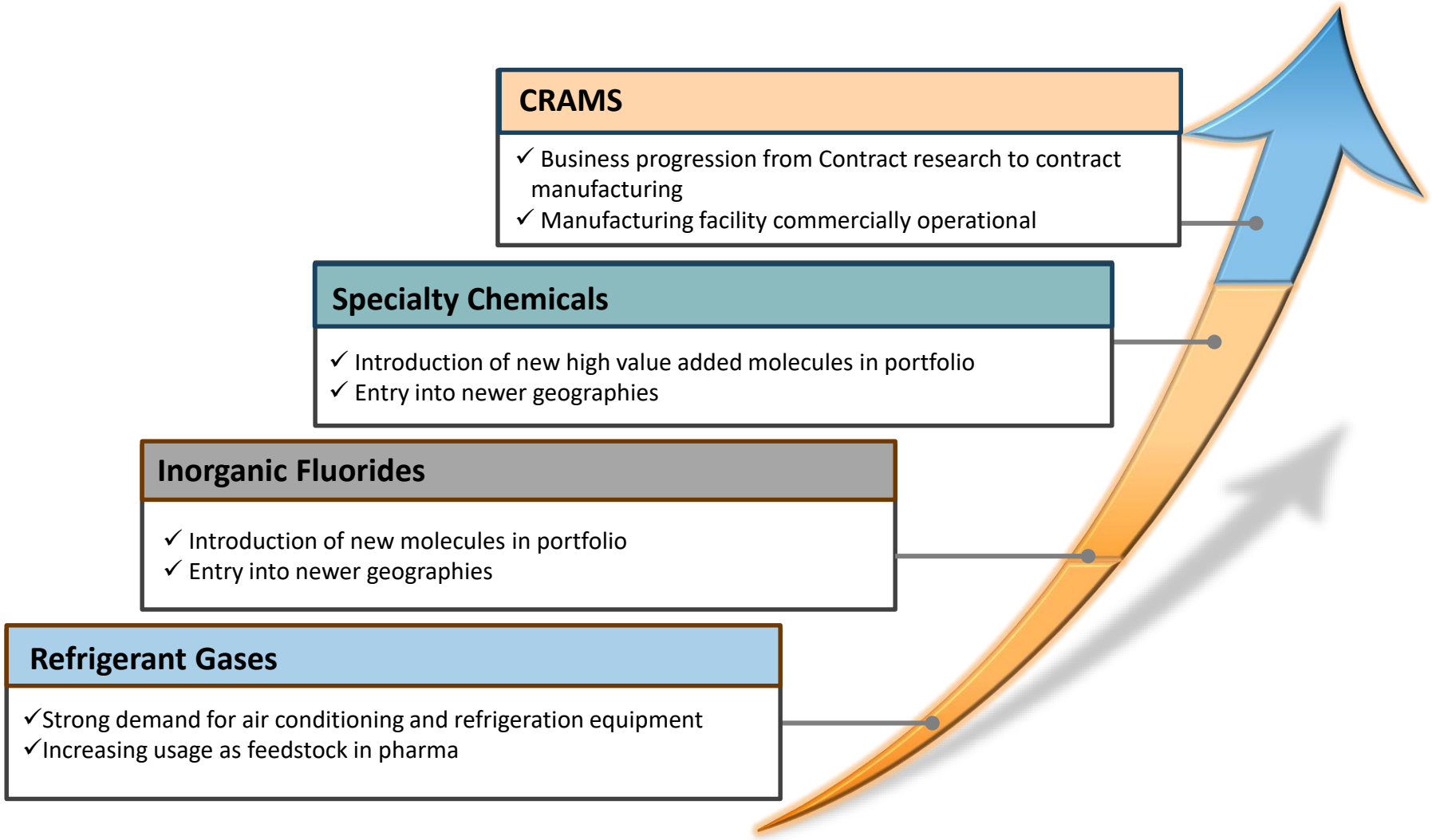
## Manufacturing

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

## Raw Material Sourcing

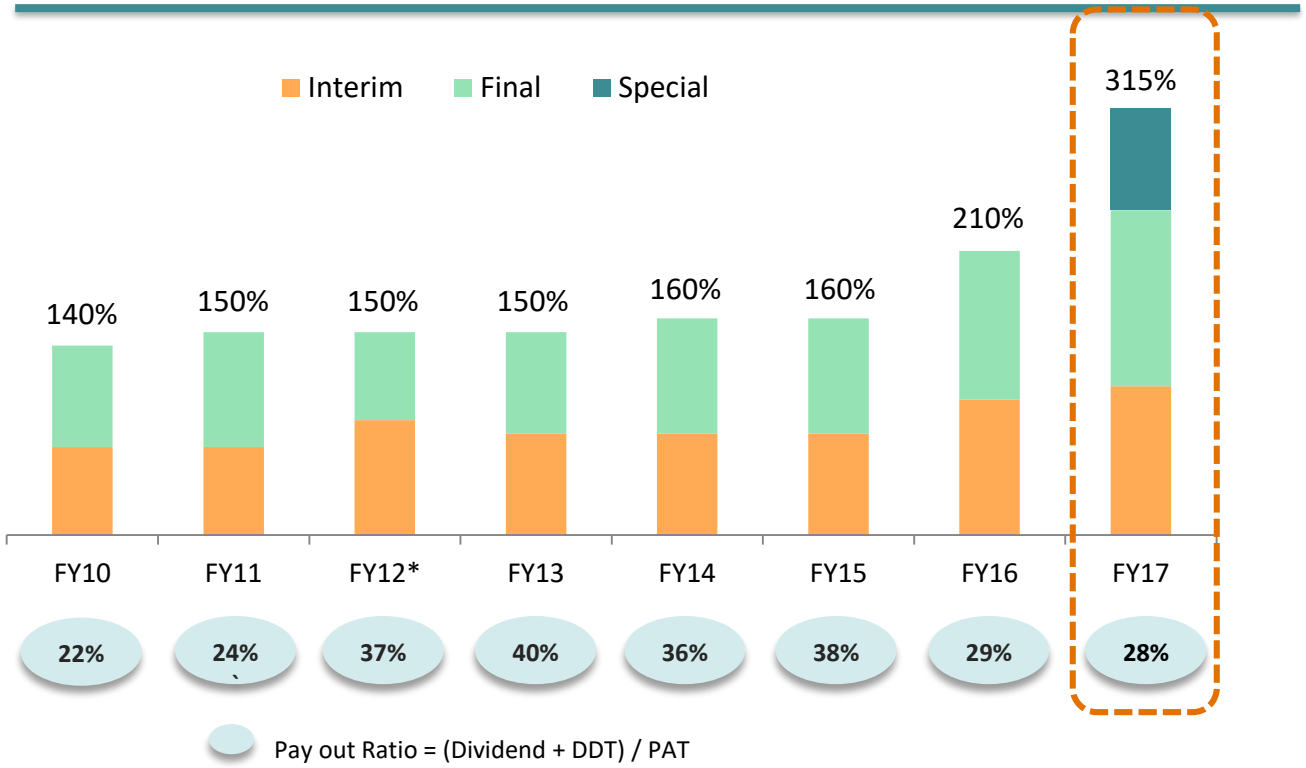
- ✓ Backward integration for Raw material through 25% JV partner in the only Fluorspar beneficiation company in India
- ✓ Supply from JV will further de-risk imported sourcing
- ✓ Diversified sourcing of Fluorspar away from China

# Growth driven by Every Business Unit



# Consistent Dividend Performance

**Dividend as % of Face Value**




**Robust Dividend Payout**

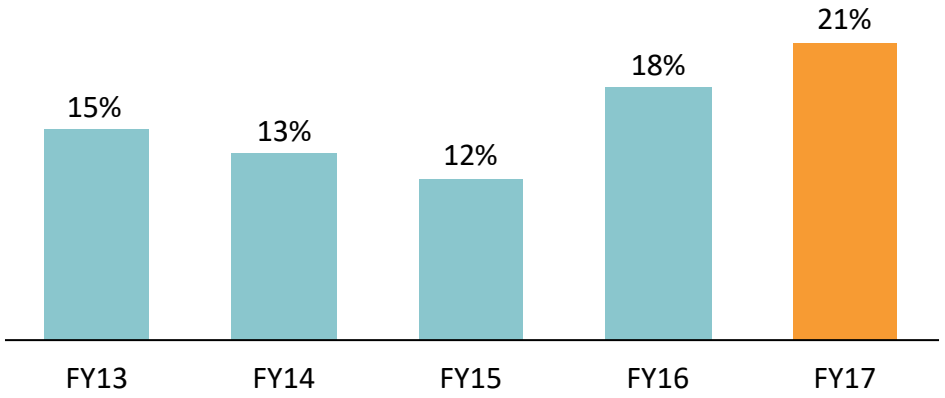
- ✓ Continuous Dividend since last 10 years
- ✓ Special Dividend of Rs. 60.00 per share in FY12
- ✓ Declared Interim Dividend of Rs. 11.00 per share and a Special Dividend of Rs.7.50 per share on 24th Oct. 2016
- ✓ Recommended Final Dividend of Rs. 13.00 per share in FY17; subject to approval of shareholders

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

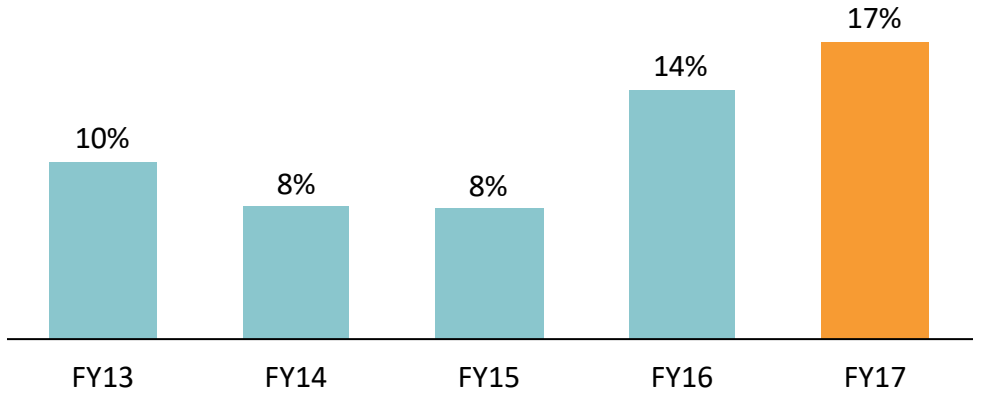
* FY12- Exclusive of Special Dividend of Rs.60 per share

# Strategy Begins to Yield Results

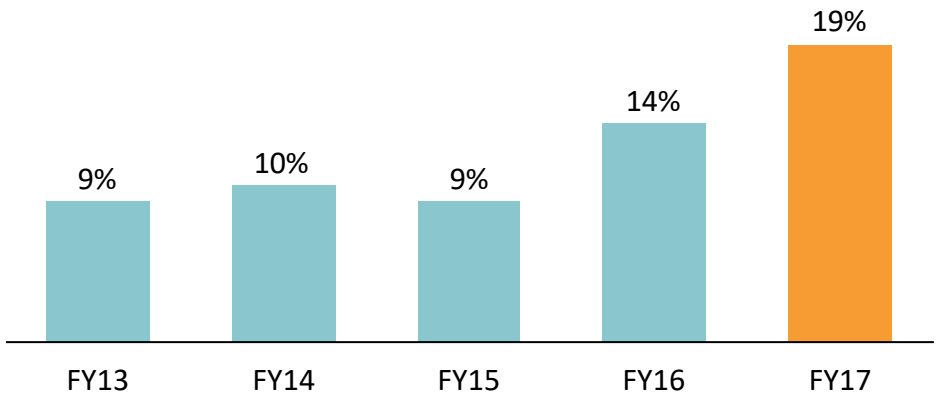
## Operating EBITDA Margin (%)



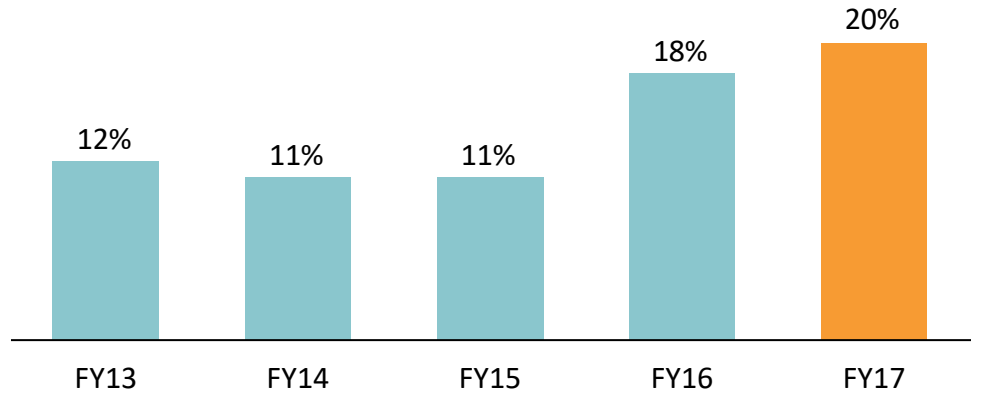

## Operating PBT Margin (%)




## Return on Net Worth (%)

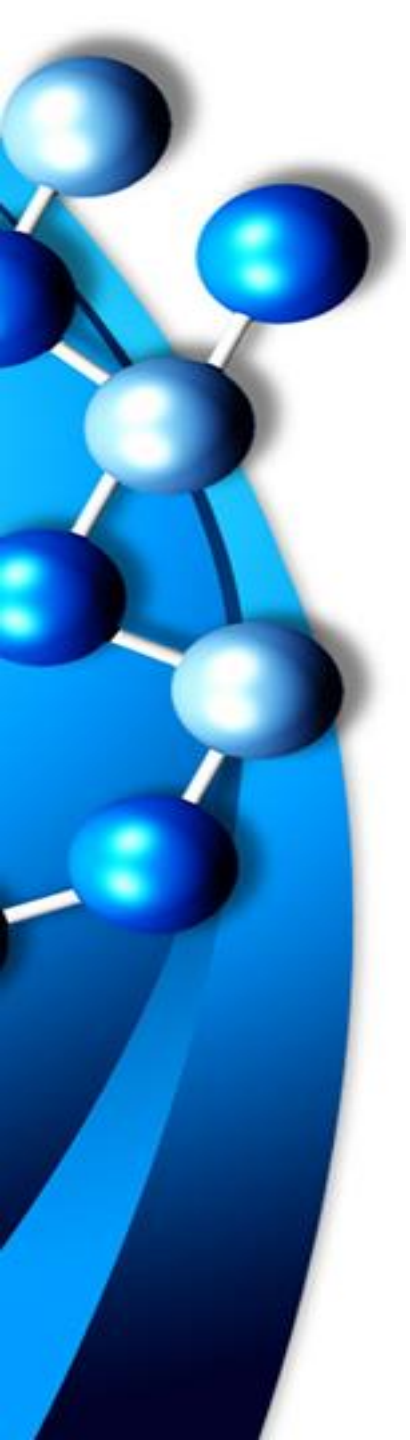



## Return on Capital Employed (%)





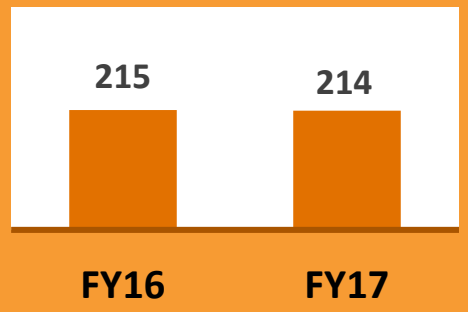

** Standalone Results*



# Financial Highlights

# Annual Financial Performance

## Refrigerants



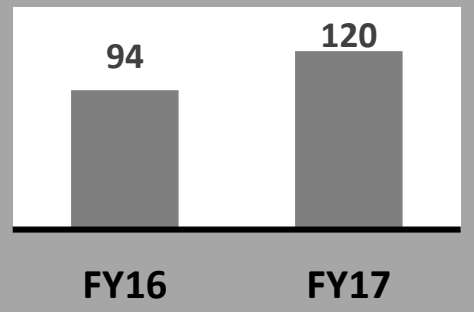

Increasing demands for cooling solutions & as feedstock for Pharmaceutical industry to drive long term growth

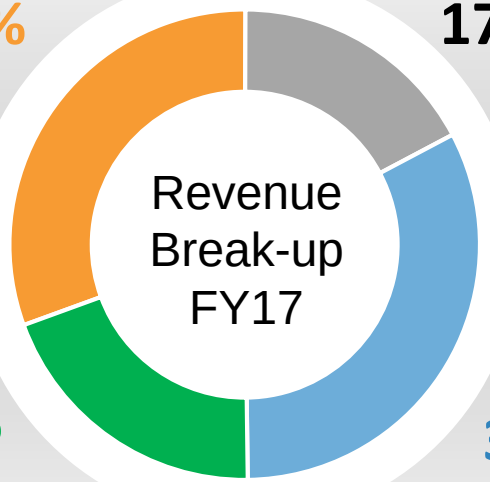
**31%**

Traction in Key product portfolios & Customer segments

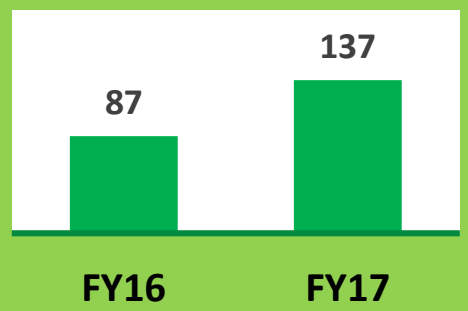
**17%**

## Inorganic Fluorides




## CRAMS*



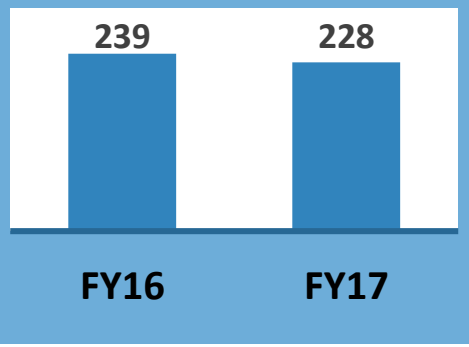

**20%**

Ramp up in successful delivery across a range of orders from Innovator pharmaceutical Majors through effective leveraging of the cGMP facility at Dewas & integration with M.O.L.

**33%**

Continuing Focus on niche offerings & key customer interface, backed up by strong product pipeline

## Specialty Chemicals




** CRAMS business generating revenue since FY13*

# Standalone Profitability Statement

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

** Adjusted PAT = PAT - Exceptional Items*

*** Cash Profit = Adjusted PAT + Depreciation*

# Standalone Balance Sheet

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

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

# Consolidated Profitability Statement

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

** Adjusted PAT = PAT - Exceptional Items*
*** Cash Profit = Adjusted PAT + Depreciation*

# Consolidated Balance Sheet

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

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

# Contact

For further information, please contact:

| **Company :** | **Investor Relations Advisors :** |
|---|---|
| Navin Fluorine International Ltd.<br>CIN : L24110MH1998PLC115499 | Strategic Growth Advisors Pvt. Ltd.<br>CIN : U74140MH2010PTC204285 |
| Mr. Sitendu Nagchaudhuri<br>Chief Financial Officer<br>sitendu.nagchaudhuri@nfil.in | Mr Jigar Kavaiya / Ms. Neha Shroff<br>99206 02034 / 77380 73466<br>jigar.kavaiya@sgapl.net / neha.shroff@sgapl.net |
| www.nfil.in | www.sgapl.net |