



Refrigeration



Inorganic Fluorides



Speciality Fluorochemicals



CRAMS



# Navin Fluorine International Limited

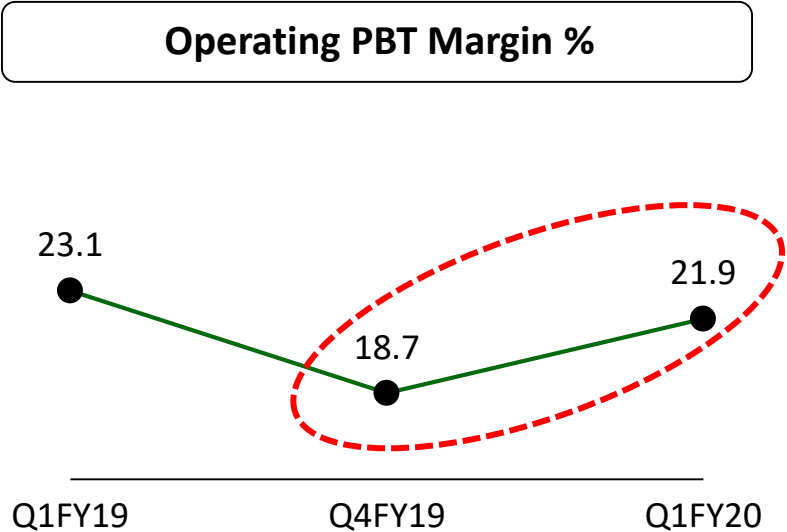
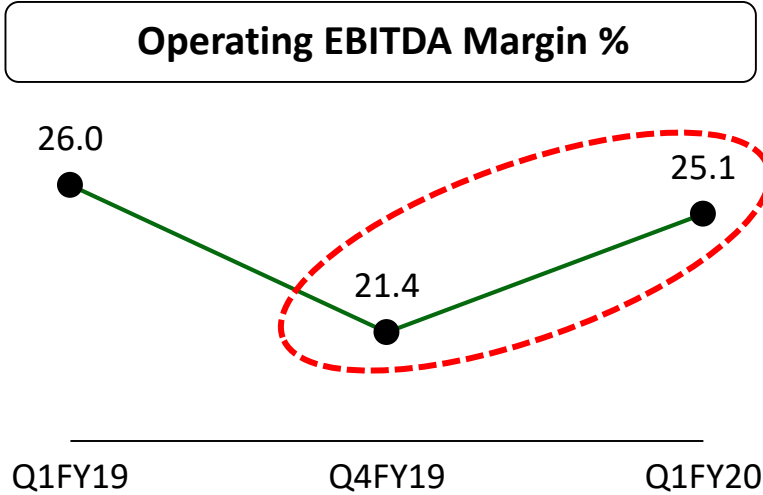
Investor Presentation – Q1FY20

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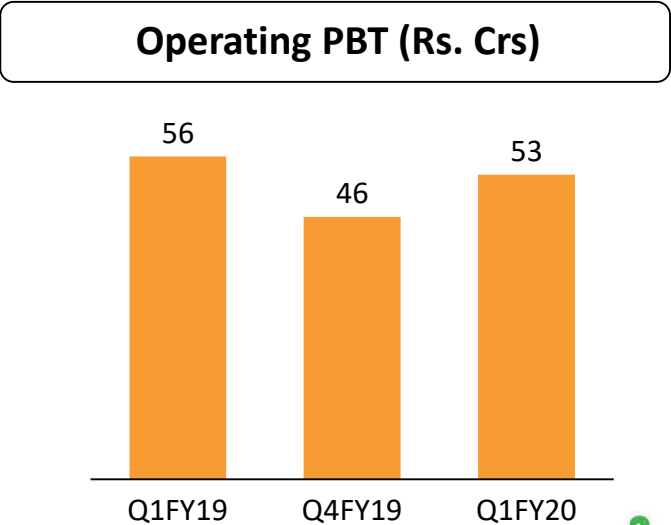
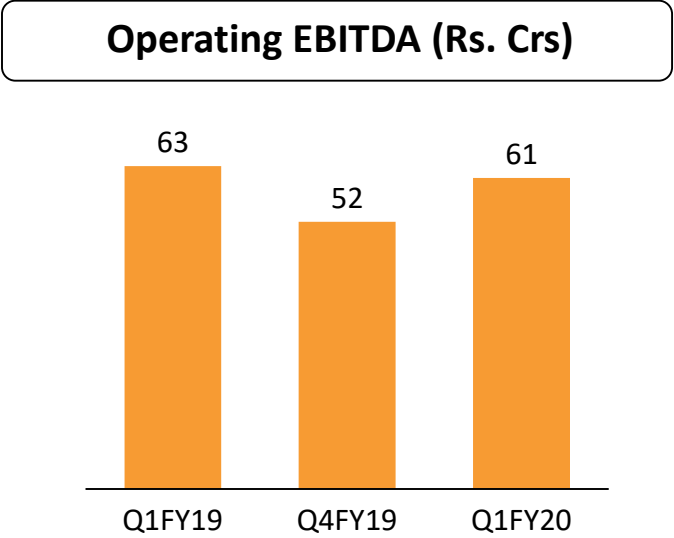
# Improving Margins



High value new products drive growth in Speciality chemicals

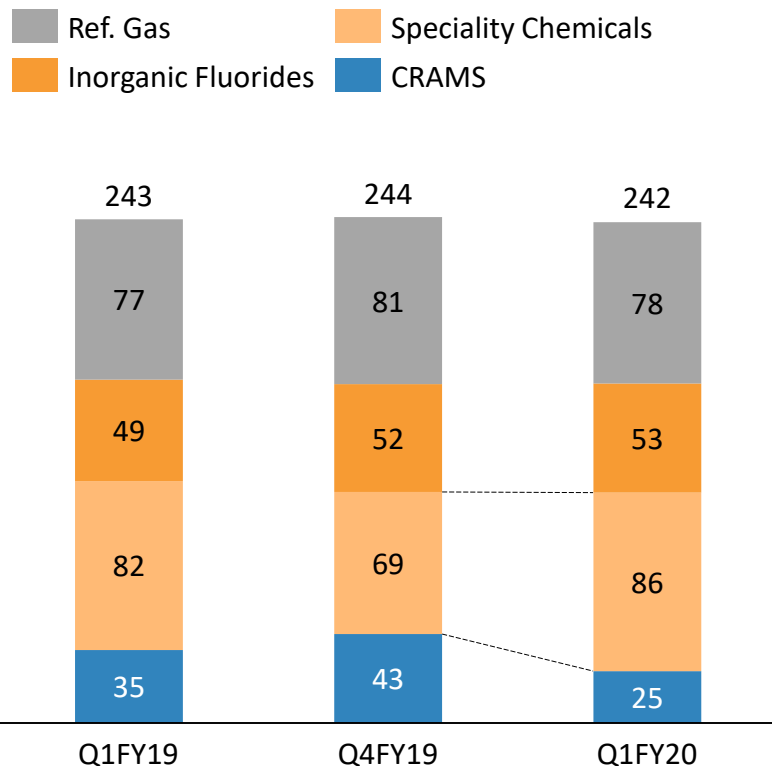
Increased contribution from Speciality help neutralise lumpiness in CRAMS

Pricing and Product mix help in margin expansion



# Improving Operating Performance

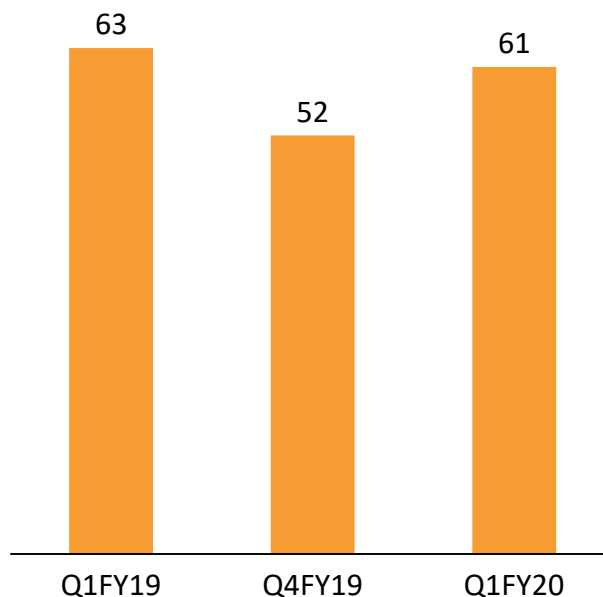
## Operating Revenue (Rs. Crs)



## Operating EBITDA (Rs. Crs)



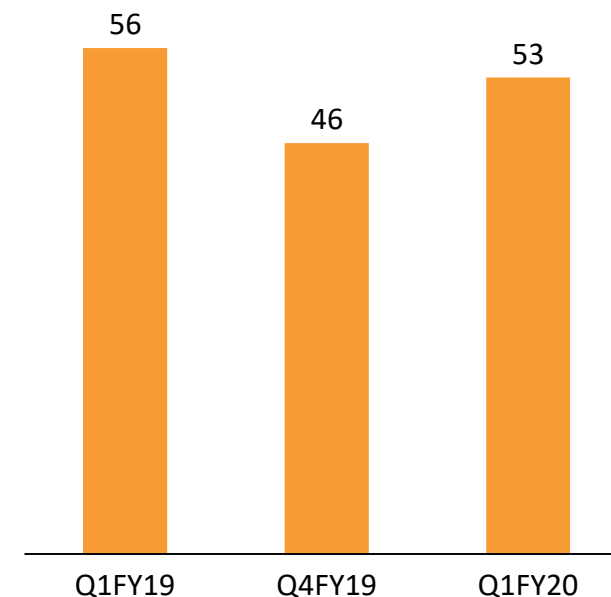
**16%**  
Q-0-Q



## Operating PBT (Rs. Crs)



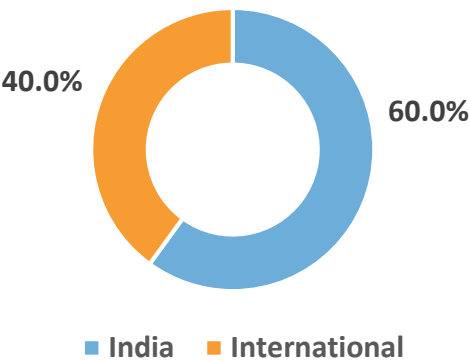
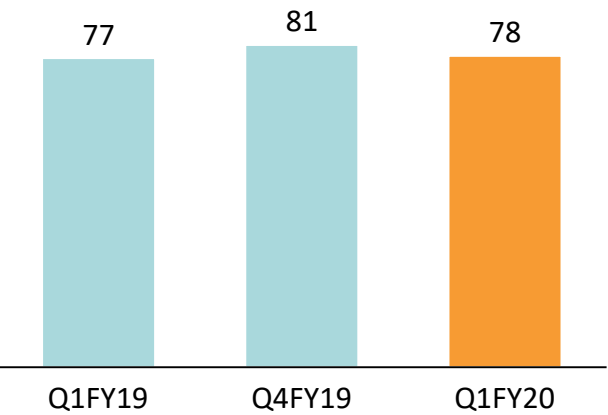
**16%**  
Q-0-Q



**Strong pipeline in Speciality and CRAMS to drive growth momentum**

# Legacy Business Performance

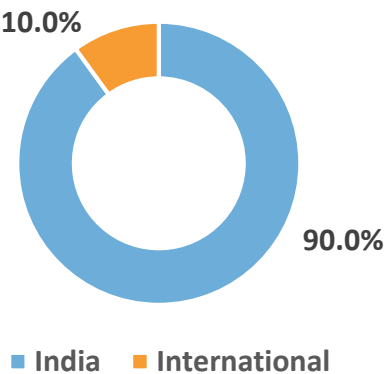
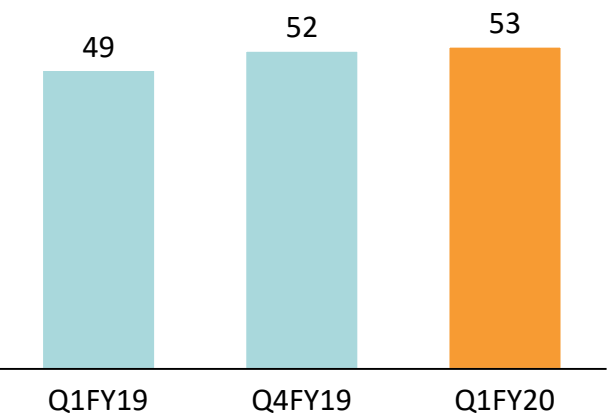
## Refrigerant Business Revenues (Rs. In Crs)



### Good traction in Export & Aftermarket

- Lower volumes from OEM offset by higher sales in the aftermarket and export
- Increase in raw material prices successfully passed on
- Volume expansion in the Export

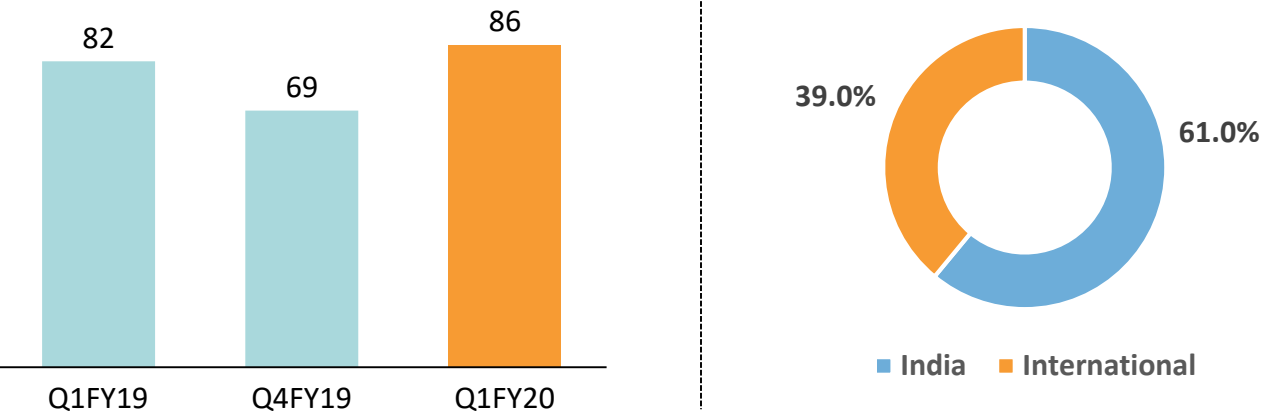
## Inorganic Fluoride Business Revenues (Rs. In Crs)



### Pricing led Growth

- Demand from stainless steel industry softer than expected
- Increased penetration in Exports Markets
- Expecting volume momentum to continue

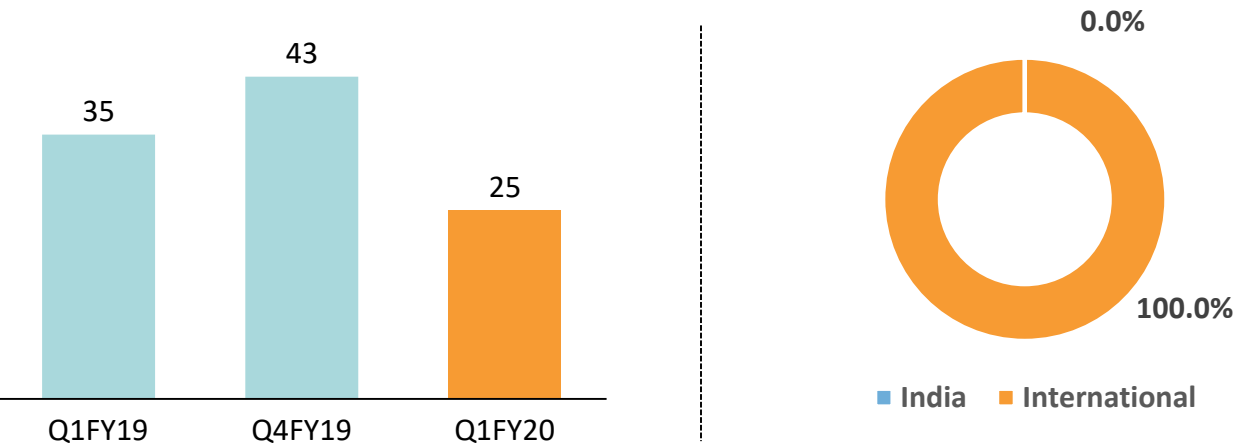
## Speciality Business Revenues (Rs. In Crs)



### Focus on Creating growth pipeline

- New products continue to show strong performance
- Pricing power leading to increased margins
- Good Project flow in Life science and Crop science to drive future growth

## CRAMS Business Revenues (Rs. In Crs)



### Emphasis on New Customer development

- Weak opening order pipeline led to lower sales this quarter
- Successfully signed contract with one large US key account
- Commissioning of CGMP3 is on schedule



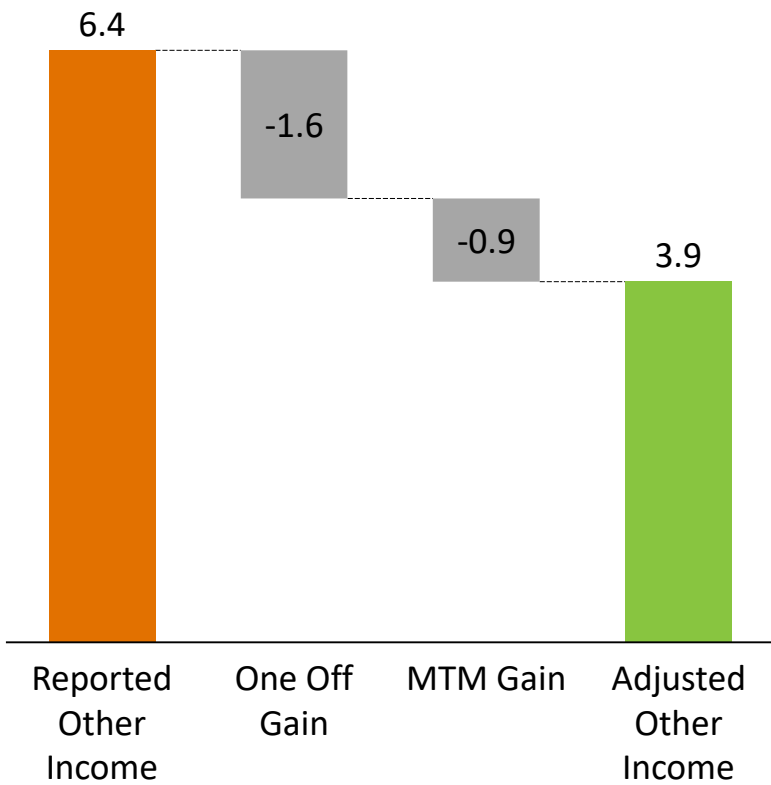
# Standalone Profitability Statement



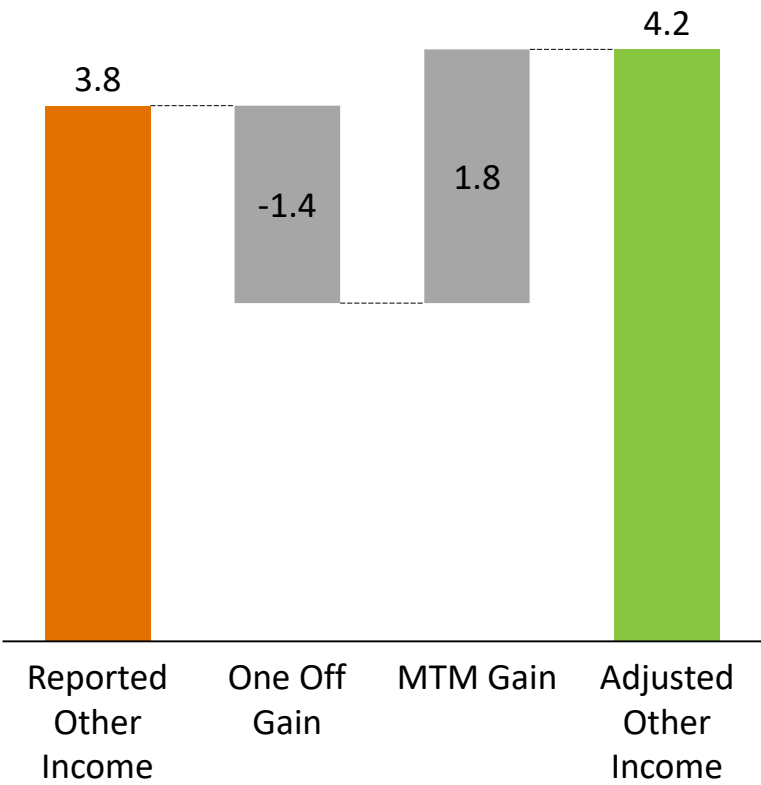
Particulars (Rs. Crs.)	Q1 FY20	Q1 FY19	Y-o-Y Change %	Q4 FY19	Q-o-Q Change %	FY19
<b>Net Revenue from Operations</b>	241.8	243.1	-1%	244.3	-1%	955.1
Raw Material	114.9	109.5		121.8		455.4
Employee Expenses	25.6	25.2		23.2		96.9
Other Expenses	40.6	45.2		47.0		184.7
<b>Operating EBITDA</b>	<b>60.7</b>	<b>63.1</b>	<b>-4%</b>	<b>52.2</b>	<b>16%</b>	<b>218.1</b>
<b>Operating EBITDA Margin</b>	<b>25.1%</b>	<b>26.0%</b>		<b>21.4%</b>		<b>22.8%</b>
Interest Expenses	0.4	0.0		0.2		0.5
Depreciation	7.5	6.9		6.4		25.9
<b>Operating PBT</b>	<b>52.9</b>	<b>56.1</b>	<b>-6%</b>	<b>45.6</b>	<b>16%</b>	<b>191.8</b>
<b>Operating PBT Margin</b>	<b>21.9%</b>	<b>23.1%</b>		<b>18.7%</b>		<b>20.1%</b>
Other Income	6.4	3.8		13.0		34.8
<b>PBT</b>	<b>59.2</b>	<b>59.9</b>	<b>-1%</b>	<b>58.5</b>	<b>1%</b>	<b>226.5</b>
Tax	19.8	20.3		22.6		78.0
<b>Profit After Tax</b>	<b>39.5</b>	<b>39.6</b>	<b>0%</b>	<b>35.9</b>	<b>10%</b>	<b>148.5</b>
<b>Profit After Tax Margin</b>	<b>16.3%</b>	<b>16.3%</b>		<b>14.7%</b>		<b>15.5%</b>
<b>Other Comprehensive Income</b>						
Items that will not be reclassified to Profit & Loss (net of tax)	-0.53	-0.67		0.04		-0.32
<b>Total Comprehensive income for the Period</b>	<b>38.9</b>	<b>38.9</b>	<b>0%</b>	<b>36.0</b>	<b>8%</b>	<b>148.2</b>

# Other Income Built-up

Q1 FY20 (Rs. Crs)



Q1 FY19 (Rs. Crs)





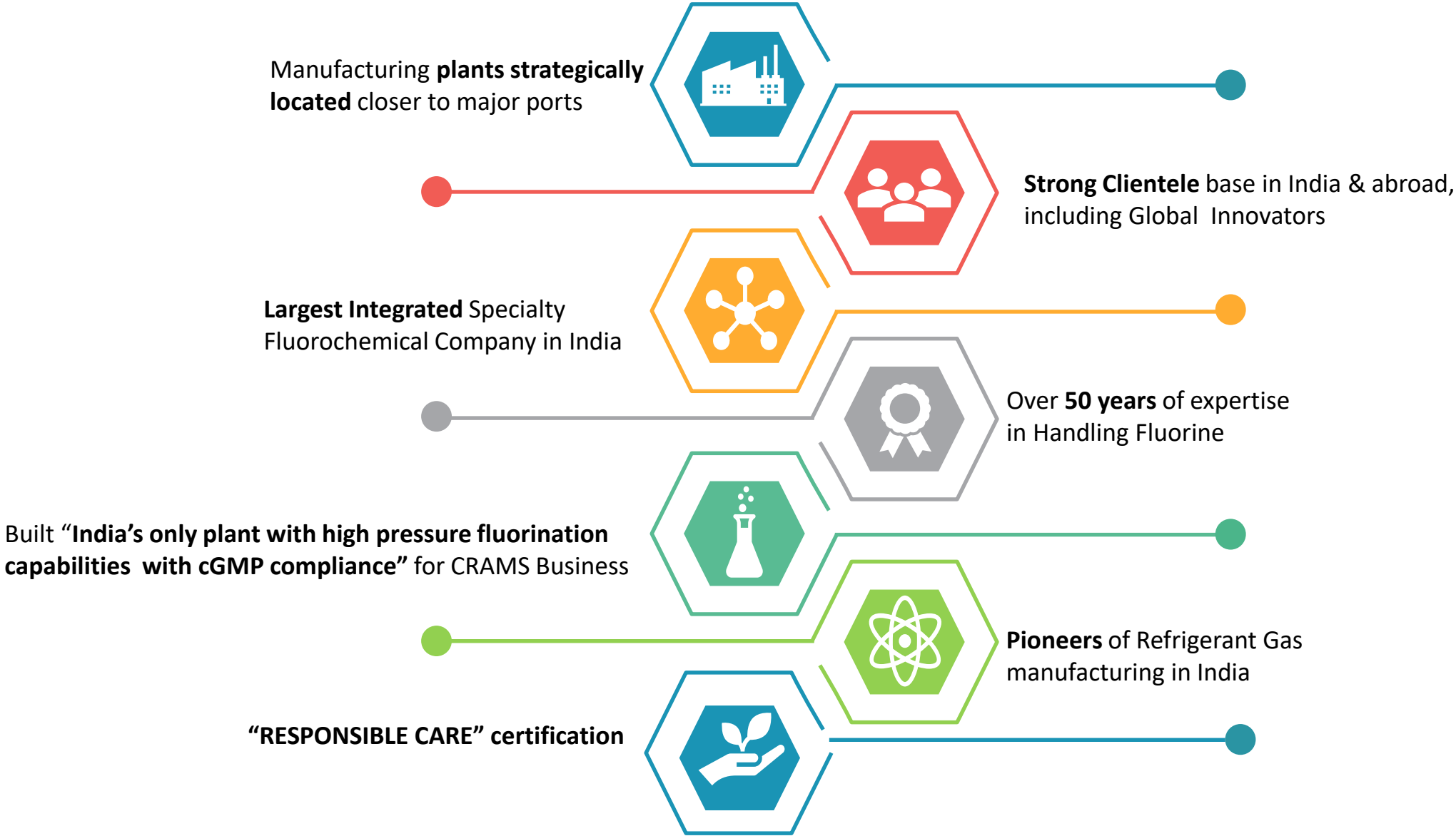
# Consolidated Profitability Statement



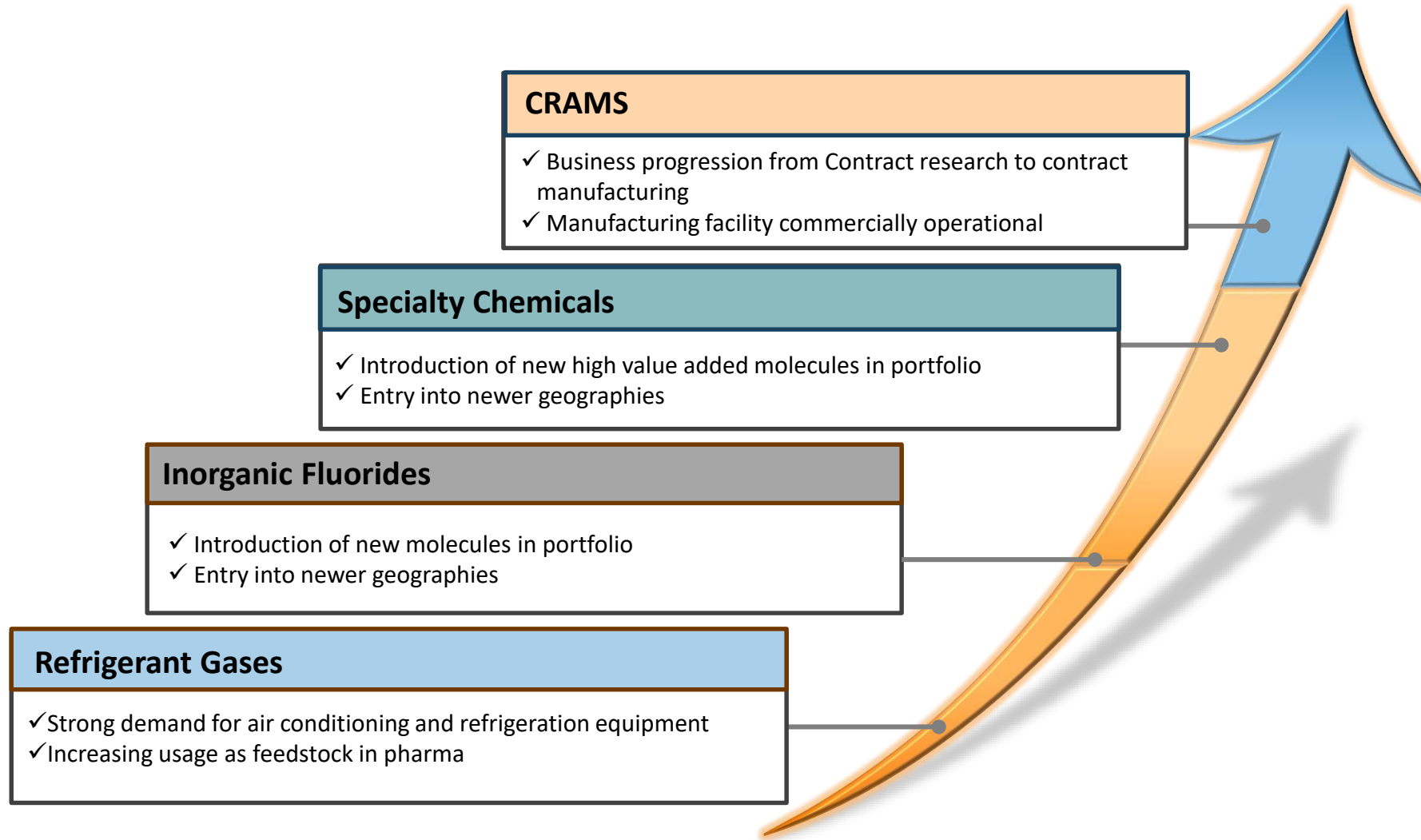
Particulars (Rs. Crs.)	Q1 FY20	Q1 FY19	Y-o-Y Change %	Q4 FY19	Q-o-Q Change %	FY19
<b>Net Revenue from Operations</b>	251.5	256.1	-2%	252.6	0%	995.9
Raw Material	120.2	116.3		127.3		476.6
Employee Expenses	30.5	29.4		28.1		115.5
Other Expenses	39.6	46.5		45.7		185.5
<b>Operating EBITDA</b>	<b>61.1</b>	<b>64.0</b>	<b>-4%</b>	<b>51.6</b>	<b>18%</b>	<b>218.4</b>
<b>Operating EBITDA Margin</b>	<b>24.3%</b>	<b>25.0%</b>	<b>-68</b>	<b>20.4%</b>	<b>387</b>	<b>21.9%</b>
Interest Expenses	0.5	0.1		0.3		0.8
Depreciation	8.2	7.4		6.7		27.5
<b>Operating PBT</b>	<b>52.4</b>	<b>56.4</b>	<b>-7%</b>	<b>44.6</b>	<b>17%</b>	<b>190.0</b>
<b>Operating PBT Margin</b>	<b>20.8%</b>	<b>22.4%</b>	<b>-160</b>	<b>17.6%</b>	<b>317</b>	<b>19.1%</b>
Other Income	6.8	4.0	71%	11.2		34.4
<b>PBT</b>	<b>59.2</b>	<b>60.4</b>	<b>-2%</b>	<b>55.8</b>	<b>6%</b>	<b>224.4</b>
Tax	19.6	19.7		22.3		77.0
<b>Profit After Tax</b>	<b>39.6</b>	<b>40.7</b>	<b>-3%</b>	<b>33.5</b>	<b>18%</b>	<b>147.4</b>
<b>Profit After Tax Margin</b>	<b>15.7%</b>	<b>15.9%</b>	<b>-16</b>	<b>13.3%</b>	<b>247</b>	<b>14.8%</b>
Profit/ (Loss) from Associates and joint ventures (net)	3.5	-2.7		1.7		1.7
<b>Profit for the period</b>	<b>43.1</b>	<b>38.0</b>		<b>35.2</b>	<b>23%</b>	<b>149.1</b>
<b>Other Comprehensive Income</b>						
Items that will not be reclassified to Profit & Loss (net of tax)	-1.33	-1.18		0.36		-1.19
<b>Total Comprehensive income for the Period</b>	<b>41.8</b>	<b>36.8</b>	<b>14%</b>	<b>35.5</b>	<b>18%</b>	<b>147.9</b>



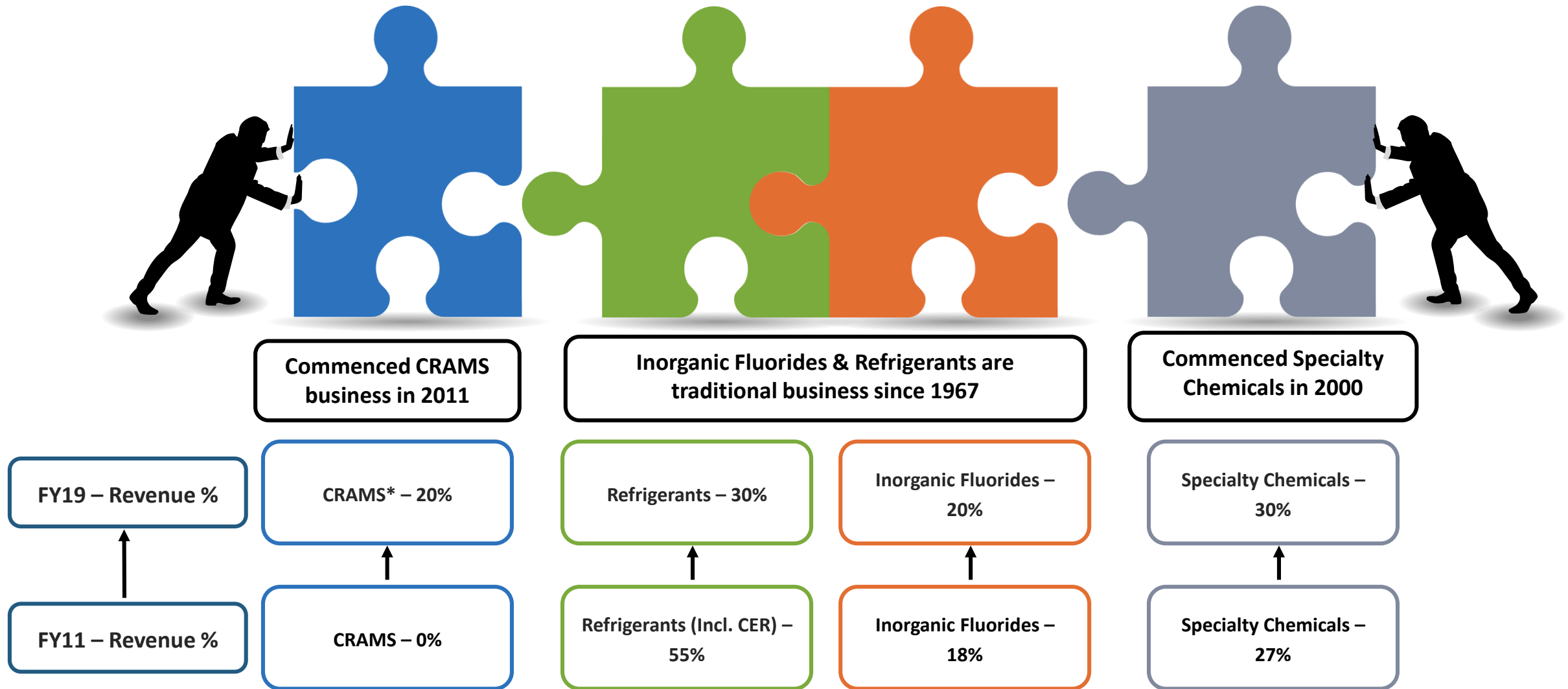
# Business Overview



# Rising up Fluorine Value-Pyramid...



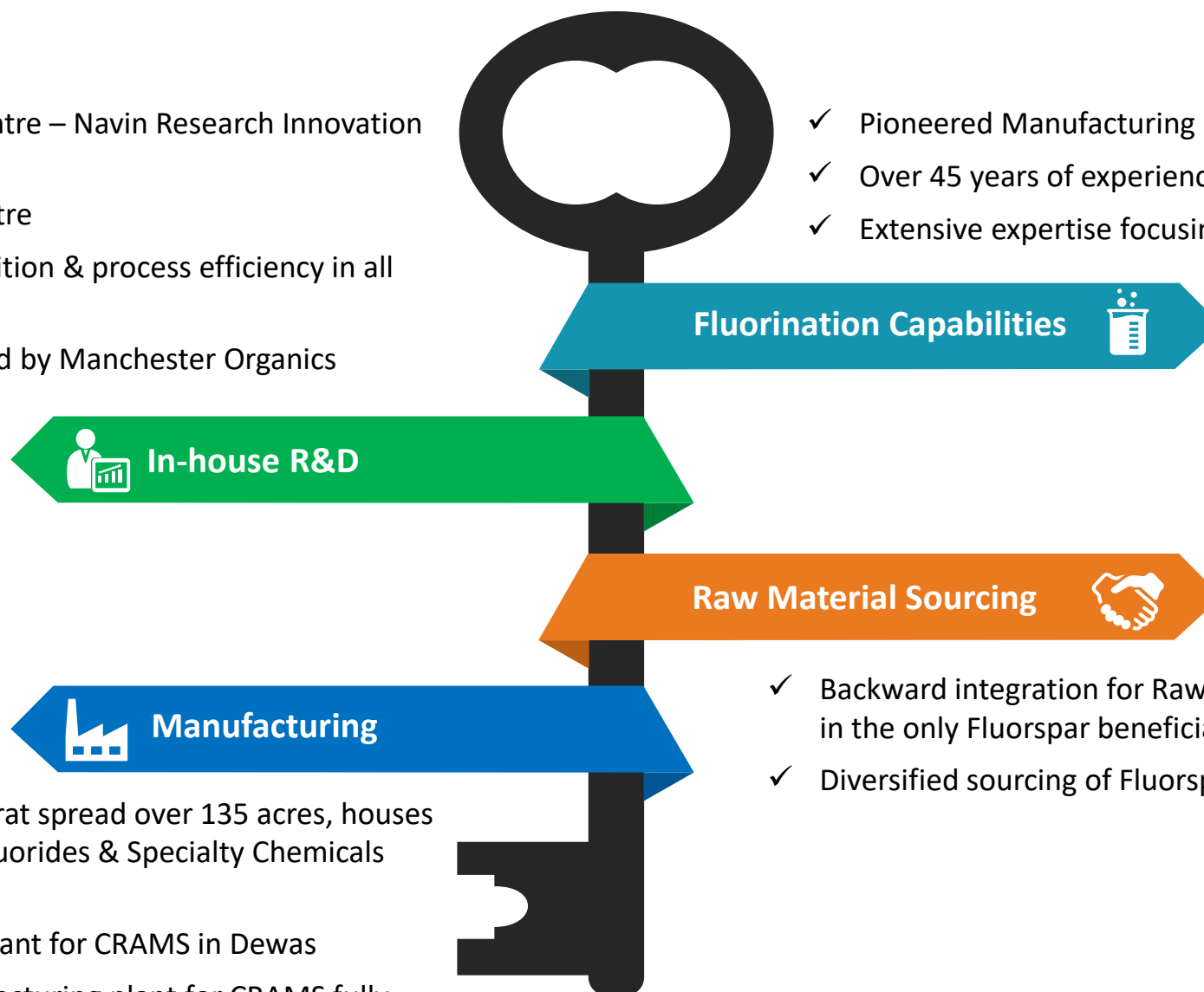
# ... Growth driven by Every Business Unit



# Key Strengths

- ✓ 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

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



- ✓ 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.

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

# Consolidated Profitability Statement



Particulars (Rs. Crs.)	FY19	FY18	Change %	FY18*
<b>Net Revenue from Operations</b>	<b>995.9</b>	<b>857.0</b>	<b>16%</b>	<b>912.7</b>
Raw Material	476.6	374.6		402.3
Employee Expenses	115.5	105.7		110.5
Other Expenses	185.5	171.4		184.9
<b>Operating EBITDA</b>	<b>218.4</b>	<b>205.2</b>	<b>7%</b>	<b>215.0</b>
<b>Operating EBITDA Margin</b>	<b>21.9%</b>	<b>23.9%</b>		<b>23.6%</b>
Interest Expenses	0.8	1.2		1.2
Depreciation	27.5	28.2		39.8
<b>Operating PBT</b>	<b>190.0</b>	<b>175.8</b>	<b>9%</b>	<b>174.0</b>
<b>Operating PBT Margin</b>	<b>19.1%</b>	<b>20.5%</b>		<b>19.1%</b>
Other Income	34.4	92.0		92.5
<b>PBT</b>	<b>224.4</b>	<b>267.8</b>	<b>-16%</b>	<b>266.5</b>
Tax	77.0	84.0		84.0
<b>Profit After Tax</b>	<b>147.4</b>	<b>183.7</b>	<b>-19%</b>	<b>182.5</b>
<b>Profit After Tax Margin</b>	<b>14.8%</b>	<b>21.4%</b>		<b>20.0%</b>
(Loss) from Associates and joint ventures (net)	1.7	-2.7		-2.7
<b>Profit for the period</b>	<b>149.1</b>	<b>181.1</b>		<b>179.8</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to Profit & Loss (net of tax)	-1.19	0.34		0.3
<b>Total Comprehensive income for the Period</b>	<b>147.9</b>	<b>181.4</b>		<b>180.1</b>



# Consolidated Balance Sheet

ASSETS (Rs. Crs.)	31-Mar-19	31-Mar-18
<b>Non-current assets</b>	<b>746.3</b>	<b>690.3</b>
Property, Plant and Equipment	285.0	281.8
Capital work-in-progress	39.3	20.1
Investment Property	56.2	57.3
Other Intangible Assets	1.3	0.7
Goodwill	87.8	87.8
Investment in Subsidiaries, Associate and JV Venture	33.3	31.5
Financial Assets		
(i) Investments	205.8	189.2
(ii) Loans	7.3	7.3
(iii) Other Financial Assets	0.1	0.2
Non-current tax assets	10.7	10.3
Other non-current assets	19.6	4.2
<b>Current assets</b>	<b>560.7</b>	<b>565.1</b>
Inventories	111.9	113.8
Financial Assets		
(i) Investments	188.3	207.6
(ii) Trade receivables	172.7	155.6
(iii) Cash and cash equivalents	15.9	18.4
(iv) Bank balances other than (iii) above	21.1	19.1
(v) Loans	4.8	11.8
(vi) Others financial assets	2.9	3.5
Other Current Assets	43.1	35.3
<b>TOTAL ASSETS</b>	<b>1,307.1</b>	<b>1,255.4</b>

EQUITY AND LIABILITIES (Rs. Crs.)	31-Mar-19	31-Mar-18
<b>EQUITY</b>	<b>1,072.4</b>	<b>983.5</b>
Equity Share Capital	9.9	9.9
Other Equity	1,062.6	973.6
<b>Non-Current Liabilities</b>	<b>57.9</b>	<b>60.7</b>
Provisions	8.6	8.8
Deferred Tax Liabilities (Net)	34.8	30.8
Other non-current liabilities	14.5	16.9
Financial Liabilities (Borrowings)	0.0	4.2
<b>Current liabilities</b>	<b>176.7</b>	<b>211.2</b>
Financial Liabilities		
(i) Borrowings	4.1	8.4
(ii) Trade Payables	71.3	95.5
(iii) Other Financial Liabilities	25.0	19.2
Provisions	2.4	2.0
Current Tax Liabilities (Net)	36.1	34.8
Other Current Liabilities	37.8	51.3
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,307.1</b>	<b>1,255.4</b>

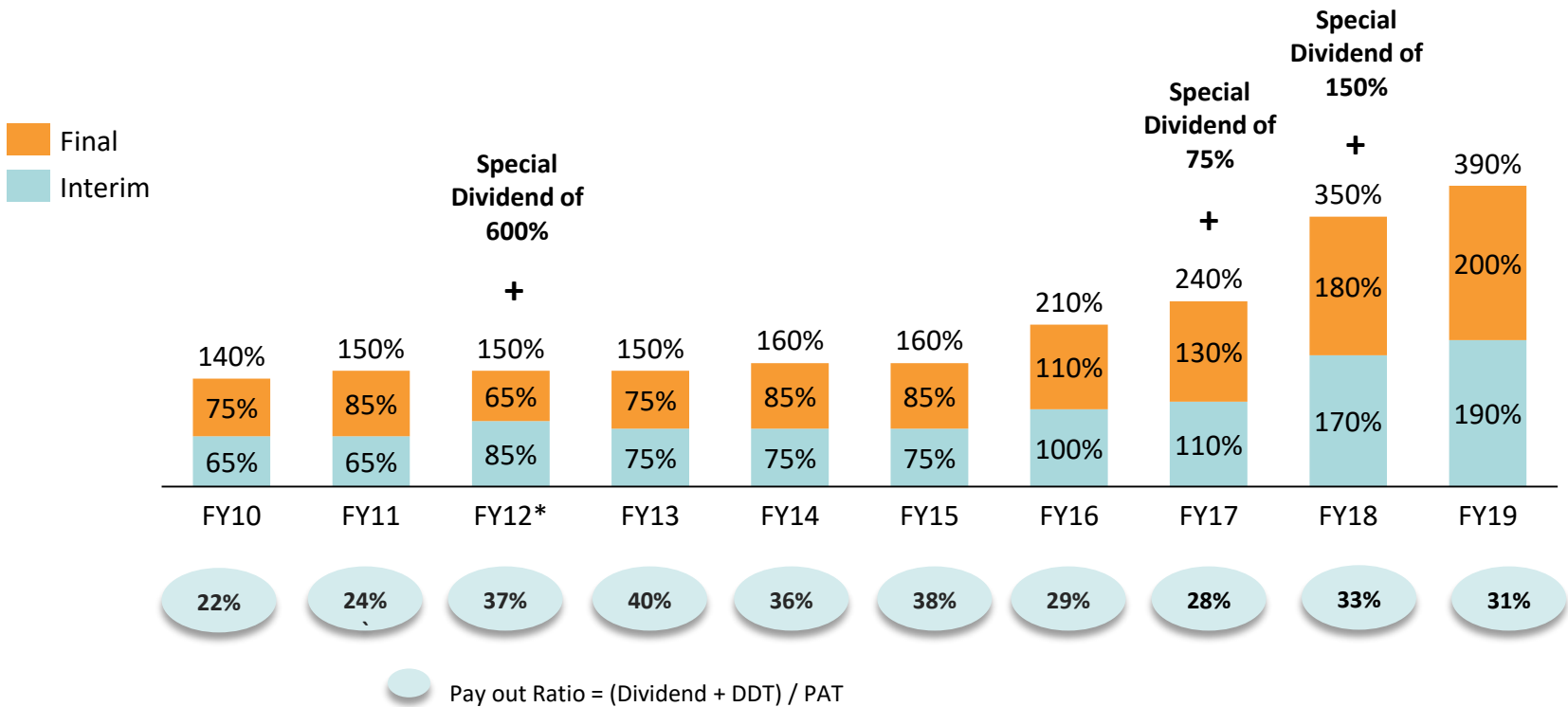
# Return Ratios

Particulars (Rs. Crs)	Standalone		Consolidated	
	FY19	FY18	FY19	FY18
<b>Operating EBIT (excl. OI)</b>	<b>192</b>	<b>173</b>	<b>191</b>	<b>175</b>
Shareholders Fund	1,059	970	1,072	983
Total Debt (Short term + Long Term + Current Maturities)	-	-	4	13
Total Cash & Cash Equivalents	459	462	487	492
Net Cash	459	462	483	479
Capital Employed	600	508	589	505
<b>ROCE</b>	<b>32.0%</b>	<b>34.1%</b>	<b>32.4%</b>	<b>34.7%</b>
Capital Employed (Adj. for CWIP)	561	488	550	484
<b>Adj. ROCE</b>	<b>34.3%</b>	<b>35.5%</b>	<b>34.7%</b>	<b>36.2%</b>

**30%+ ROCE**

# Consistent Dividend Performance

Dividend as % of Face Value



Robust Dividend Payout

- ✓ Continuous Dividend over 10 years
- ✓ Special Dividend of 600% on FV of Rs. 10 in FY12
- ✓ Special Dividend of 75% on FV of Rs. 10 in FY17
- ✓ Special of 150% on FV of Rs. 2 in FY18

The Company has paid an interim dividend of Rs. 3.8 per share of the FV of Rs. 2/- each (190%) & Proposed a Final Dividend of Rs. 4.0 per share of the FV of Rs. 2/- each (200%)

For further information, please contact:

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