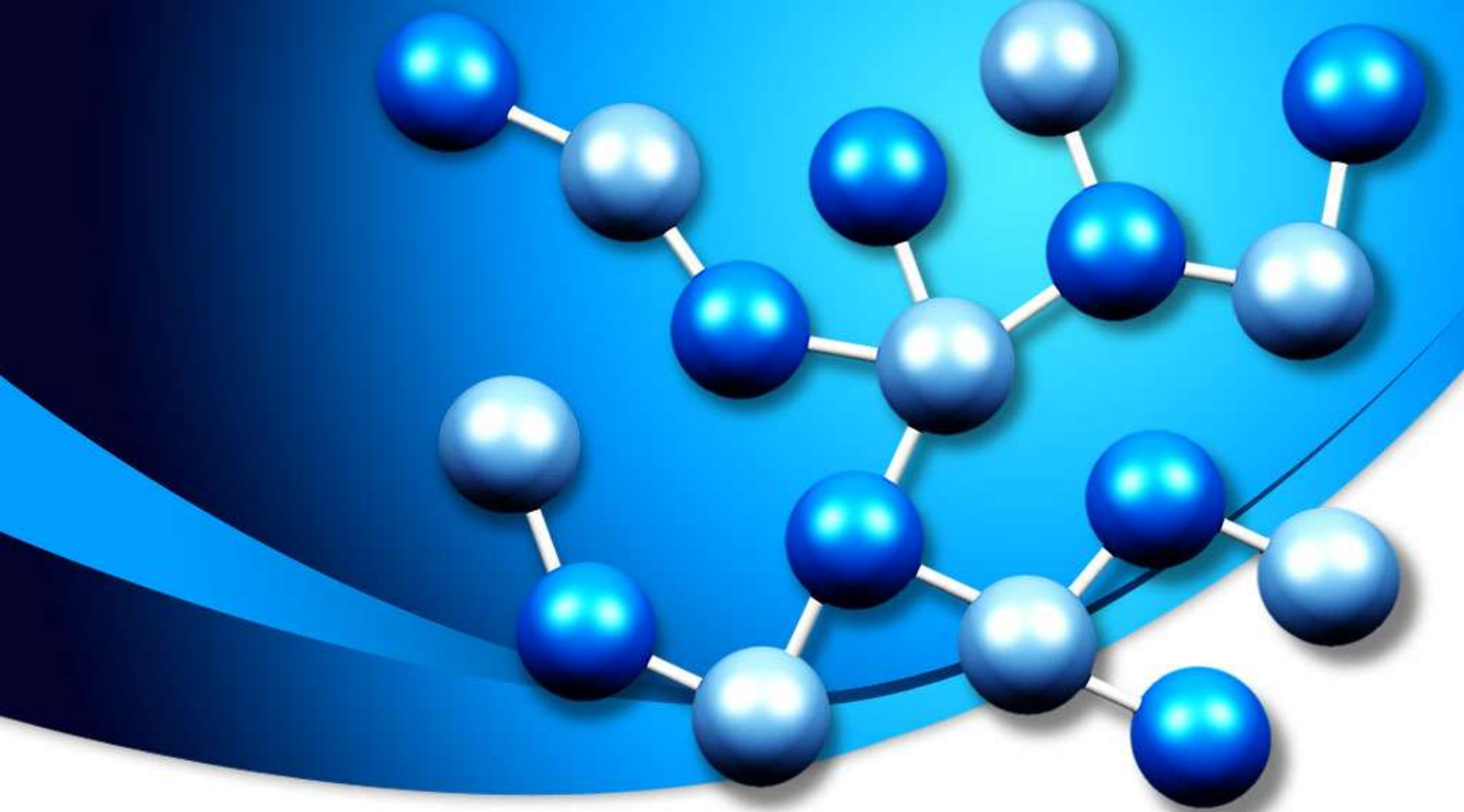




Navin Fluorine International Limited

Investor Presentation

April 2015

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Navin Fluorine International Limited



Largest Integrated Specialty Fluorochemical Company in India

Building “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 Million MT , with CAGR of 4% per annum



Pharmaceuticals



Agriculture



Electronics



Steel



Solar / Energy



Aluminum



White Goods

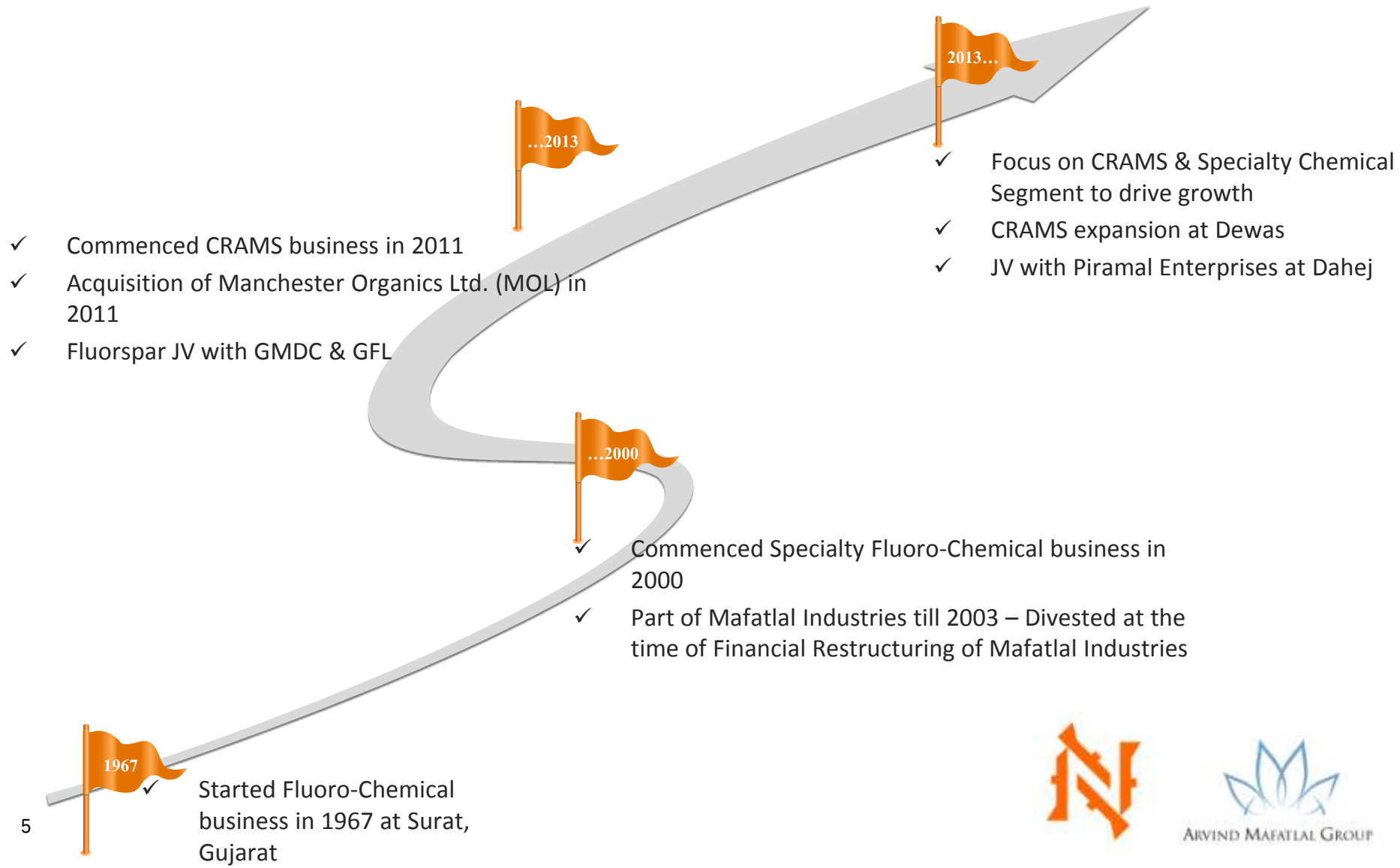


Automotive



Glass

Evolution of NFIL



Professional Management

Mr. H.A. 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. Partha Roychowdhury : Chief Financial Officer

Chartered Accountant with 29 years of post qualification experience
Been with the Company since 1995

Dr. Ashis Mukherjee : President – CRAMS / CTO

Postgraduate in Science from IIT & a Ph.D. from Princeton University
Total experience of more than 21 years in Pharma, R&D & CRAMS
Spearheading the CRAMS initiatives of the Company since 2009

Mr. Radhesh Welling : President – Marketing & Corporate Strategy

Mechanical Engineer from NIT, Surat and an MBA from IIFT, Delhi and IMD, Switzerland
Total work experience of more than 17 years; joined the Company in 2013

Mr. G.C. Jain : President – Operations

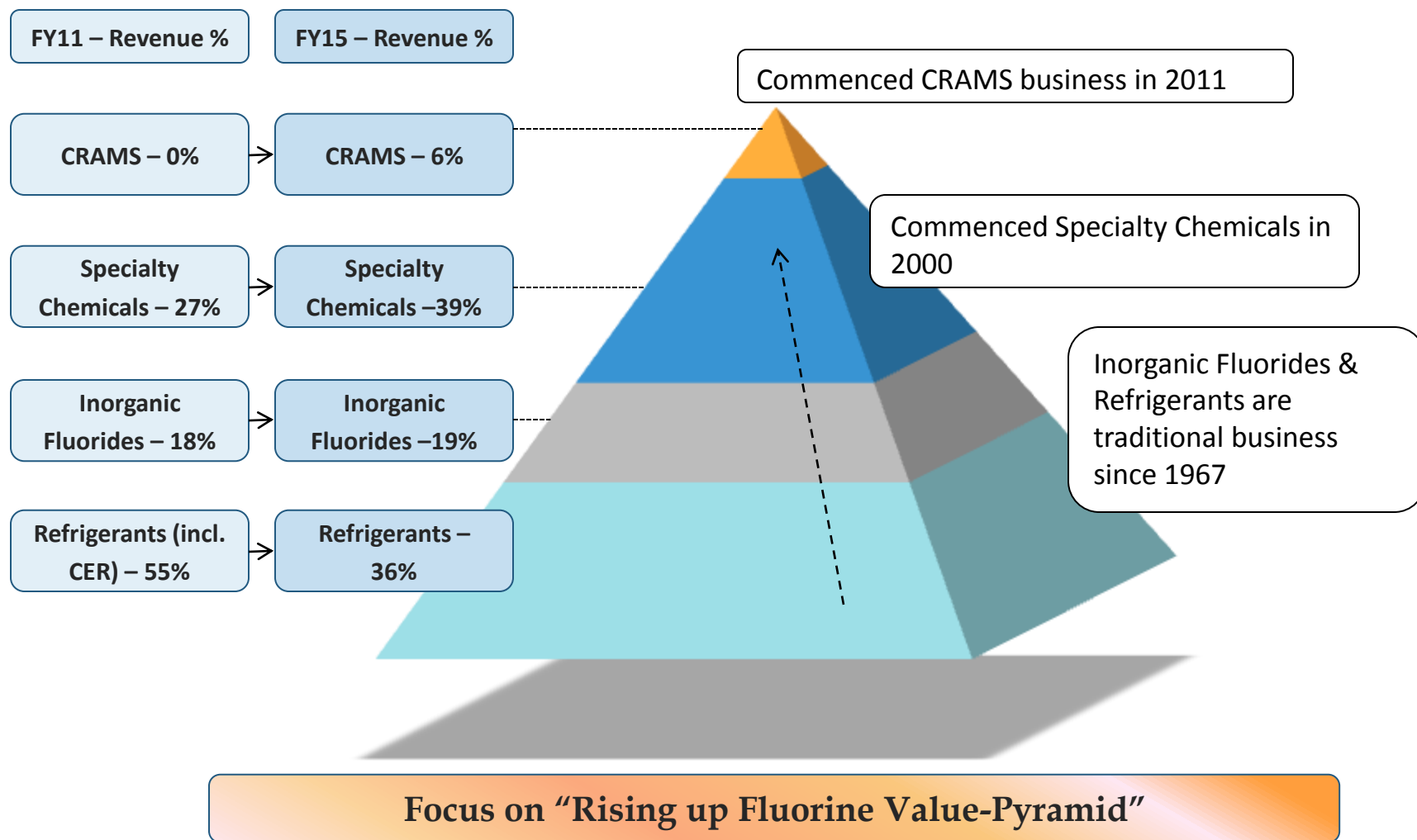
Chemical Engineer and has a Diploma in Management Studies
Total work experience of 34 years in plant operations in India and abroad
Been with the Company since 2011

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



Refrigerants Inorganic Fluorides

Sustainable and Stable BUs



Refrigerants : Growing Demand for Non-Emissive applications



Product
Offering



User
Base



Distribution
Network



Export
Outreach

- | | | | |
|---|---|--|---|
| ✓ Pioneered manufacturing of refrigerant gases in India in 1967 in Surat, Gujarat | ✓ Used in Residential Air Conditioning | ✓ Strong Distribution Network of over 120 dealers in domestic and overseas markets | ✓ Exports to South-East Asia, Middle East, Saudi Arabia, Turkey, Egypt & South Africa |
| ✓ MARFON – Brand has become generic name for refrigerants in India | ✓ Used in Industrial / Commercial Cooling | ✓ Preferred Choice for OEMs, Service Technicians and Equipment Owners | ✓ Caters to OEM players as well as replacement demand in Overseas Markets |
| ✓ Currently, manufactures only Mafron-22 (HCFC-22) | ✓ Increasingly being used for non-emissive purposes such as feedstock in Pharmaceuticals Industries | | |



Inorganic Fluorides : Growth from Exports



Product
Offering



User
Base



Distribution
Network



Export
Outreach

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

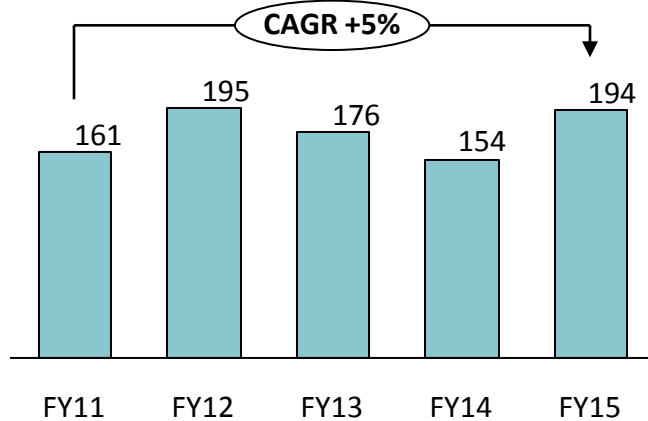
- ✓ Oil & Gas Industry
- ✓ Stainless Steel
- ✓ Pharmaceuticals & Agro chemicals
- ✓ Used in Abrasives
- ✓ Used in Solar Panels

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

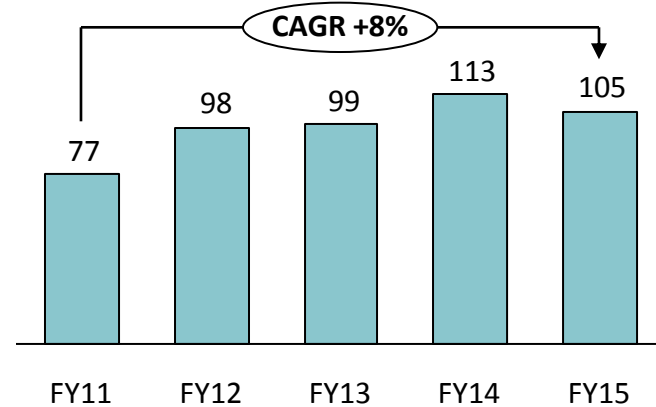
- ✓ Growing exports
- ✓ From near Zero to ~10% of the turnover in FY15

BU Performance

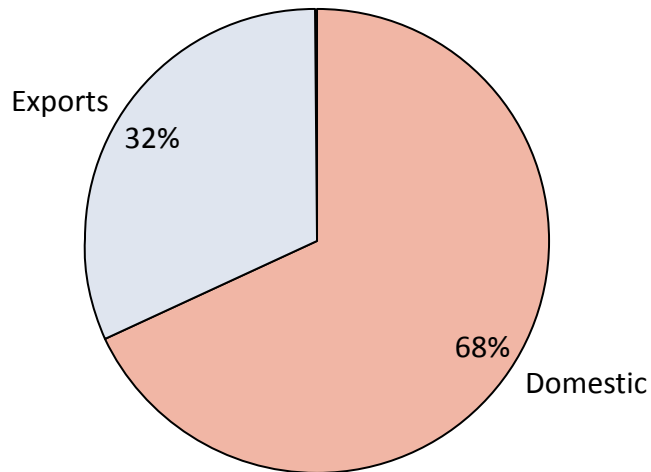
Refrigerants



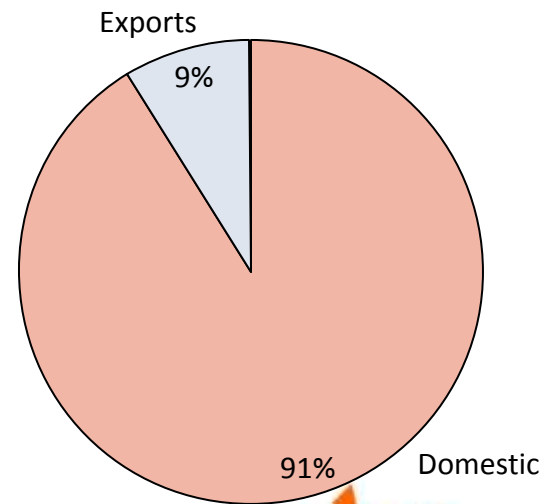
Inorganic Fluorides



Revenue (Rs.Crs)



Geographic Mix – FY15

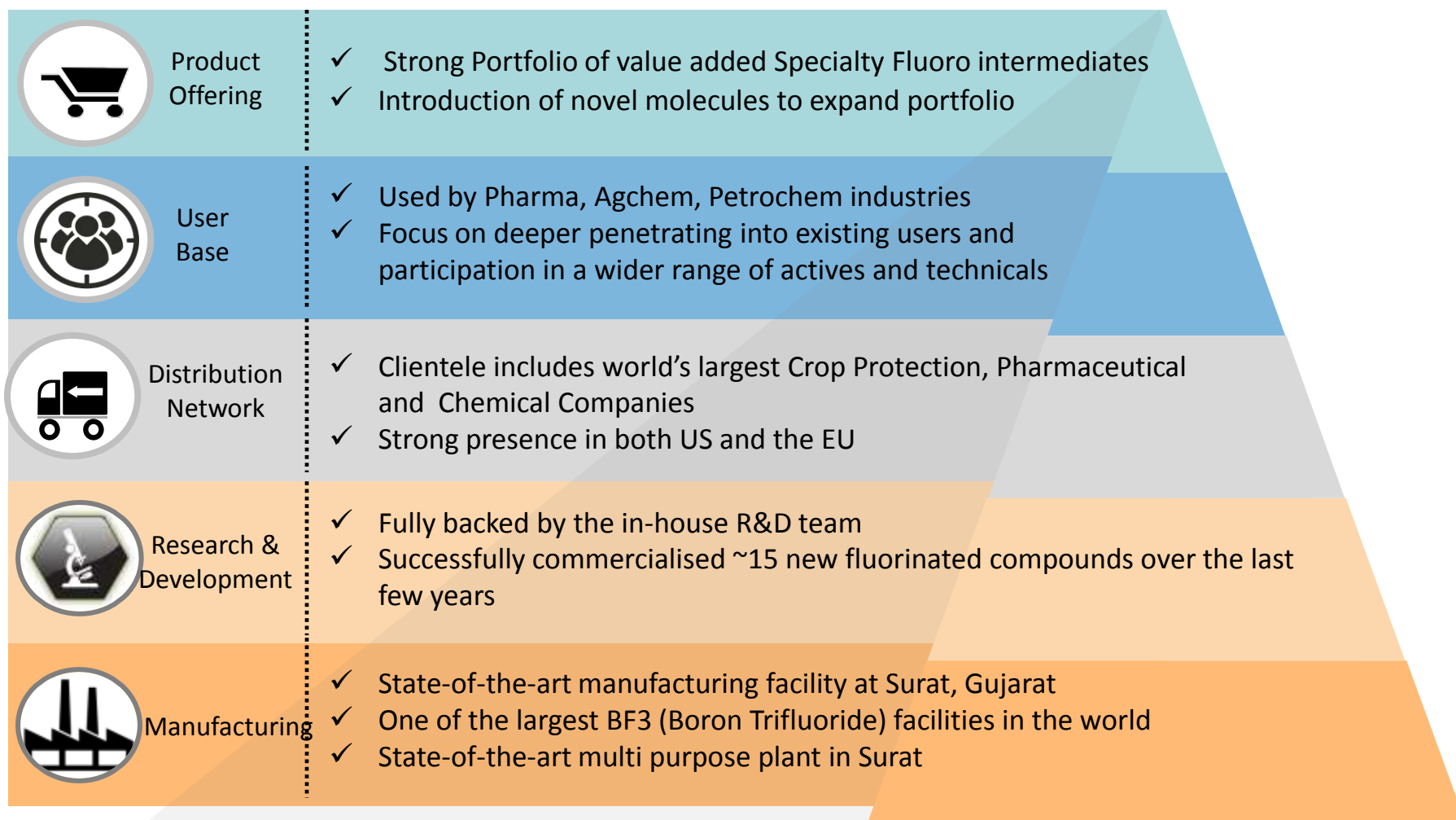


Specialty Chemicals CRAMS

Driving up the “Fluorine Value chain”



Specialty Chemicals : Growing product basket



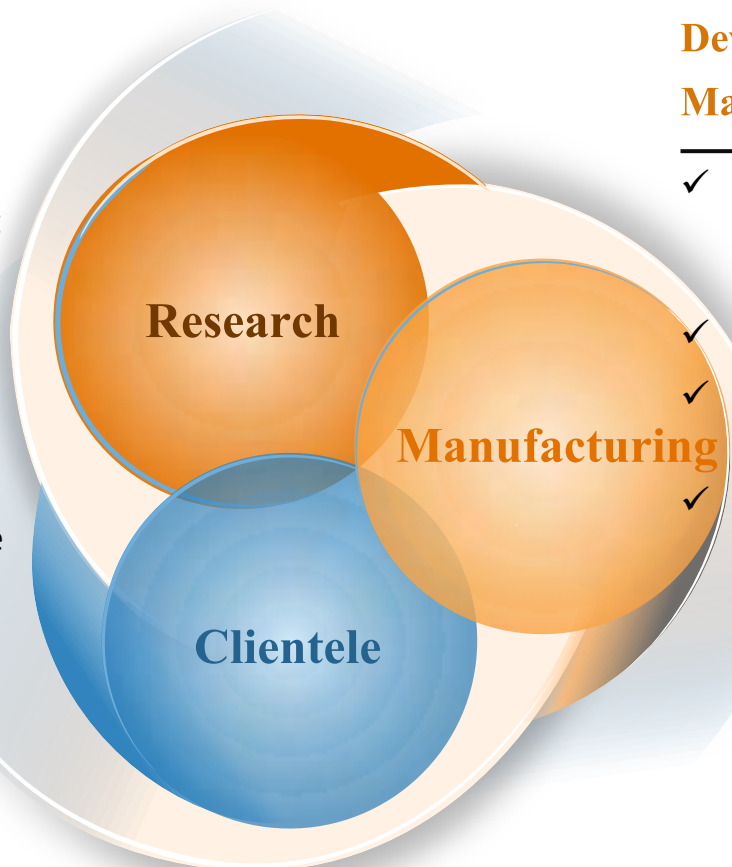
CRAMS : Scalable Growth through INNOVATION

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 presense through Manchester Organics , UK
- ✓ Worked on 50+ projects till date

“Fortune 500” Clientele

- ✓ Client relationship with global Innovators in Pharma and Lifesciences compsnies
- ✓ 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. 60 Crs
- ✓ Expected to be commissioned by H1FY16
- ✓ New Facility will be “India’s only plant with high pressure fluorination, cGMP complaint 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

- ✓ Specialist in fluorination technology, with expertise in general organic synthesis at all scales

- ✓ Continuously expanding product catalogue of over 38,000 compounds, some exclusive to MOL

- ✓ Offer over 60 years of combined chemistry experience to customers

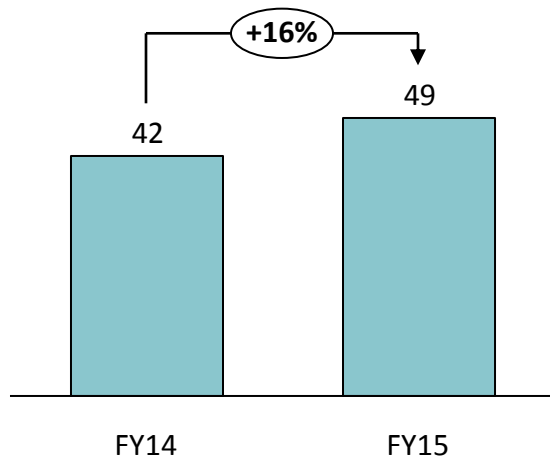
- ✓ Milligram to multi-kilo research/production facility in the UK with high pressure/specialist fluorination facility

- ✓ Works directly with R&D Team of Innovator Companies

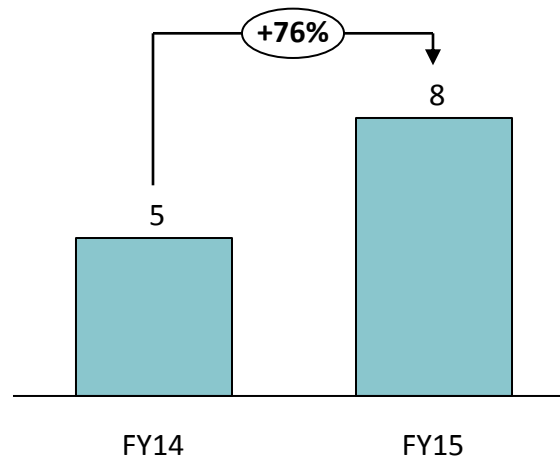


MOL Performance

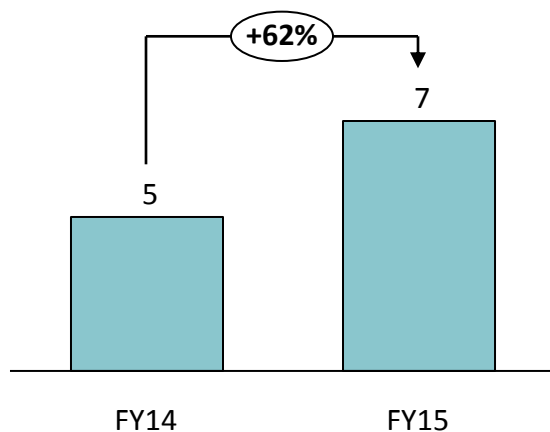
Revenue (Rs.Crs)



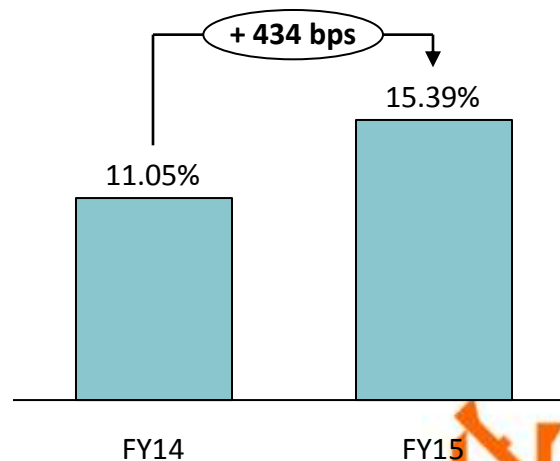
PBT (Rs.Crs)



PAT (Rs.Crs)

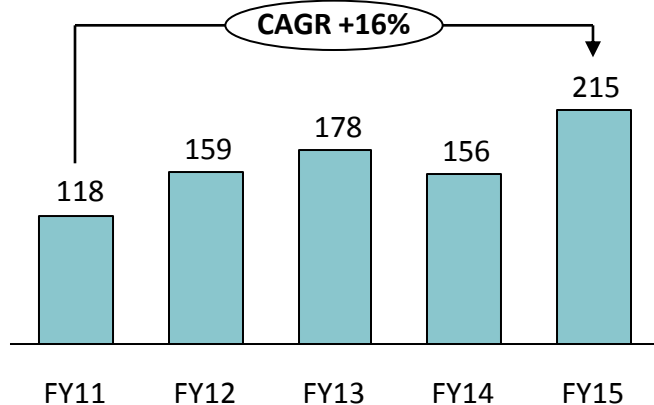


PAT Margin %



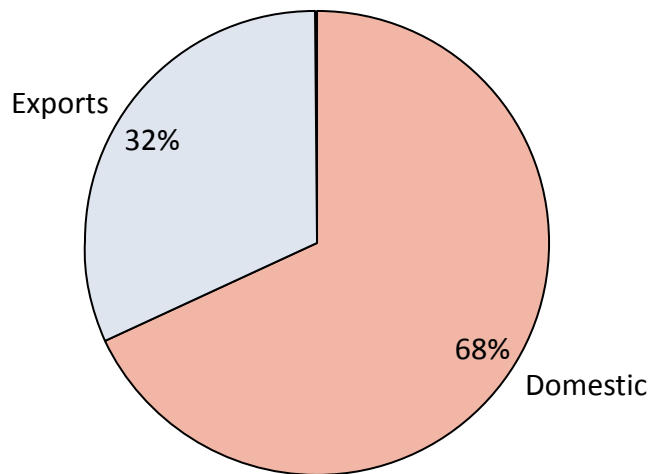
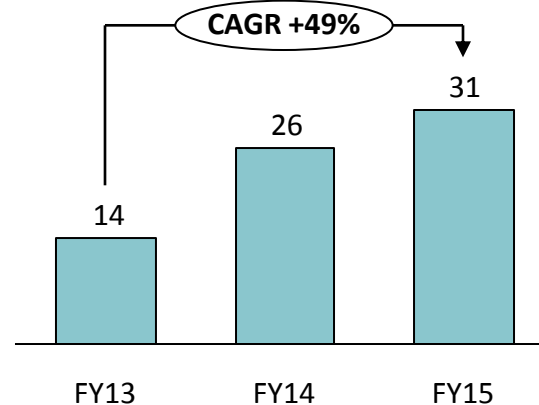
BU Performance

Specialty Chemicals

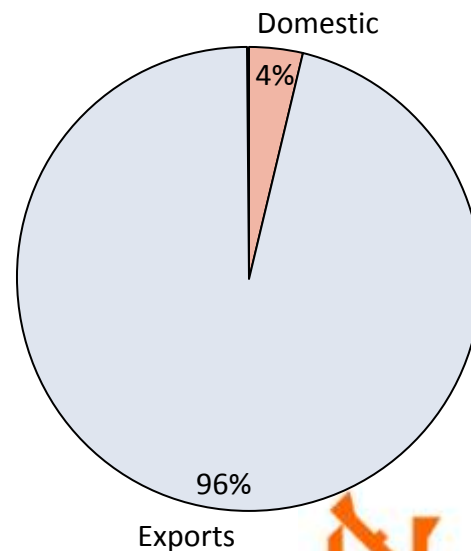


Revenue (Rs.Crs)

CRAMS*



Geographic Mix – FY15



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
- ✓ Initial investment - ~Rs. 120 Crs. Current estimates of investment is ~ Rs. 140 Crs. Due to increase in scope
- ✓ Site Development & Regulatory approvals under process
- ✓ Expected to come on-stream by FY16
- ✓ Piramal will completely buy out the product and Navin will supply the most critical RM



Clients across the Globe



Key Strengths

Fluorination Capabilities

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

Manufacturing

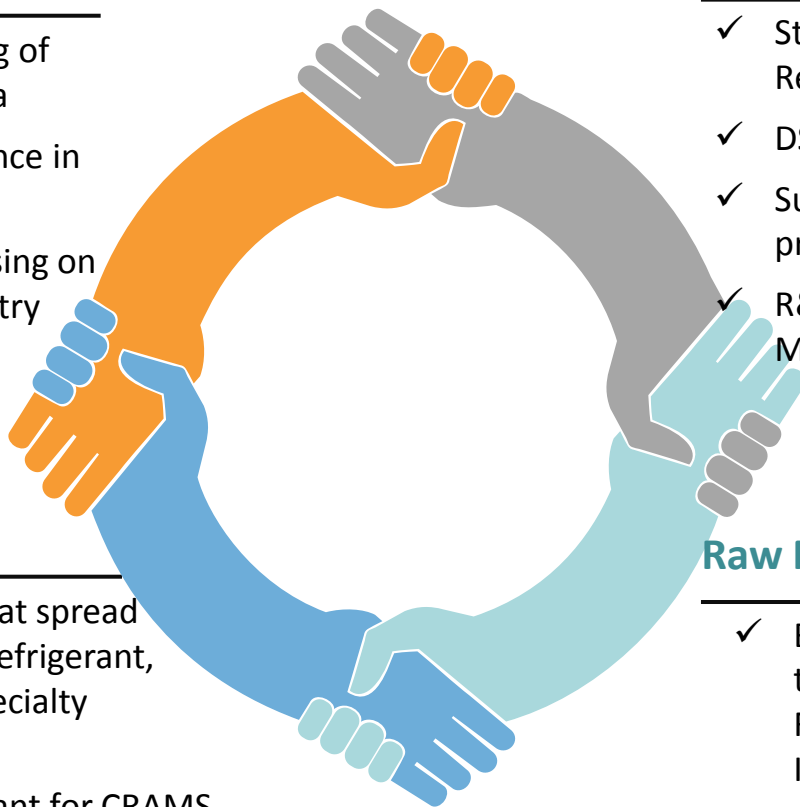
- ✓ Chemical Complex at Surat spread over 135 acres, houses Refrigerant, Inorganic Fluorides & Specialty Chemicals Plants
- ✓ cGMP Compliant Pilot plant for CRAMS in Dewas
- ✓ cGMP Compliant Manufacturing plant for CRAMS to come up at Dewas soon

In-house R&D

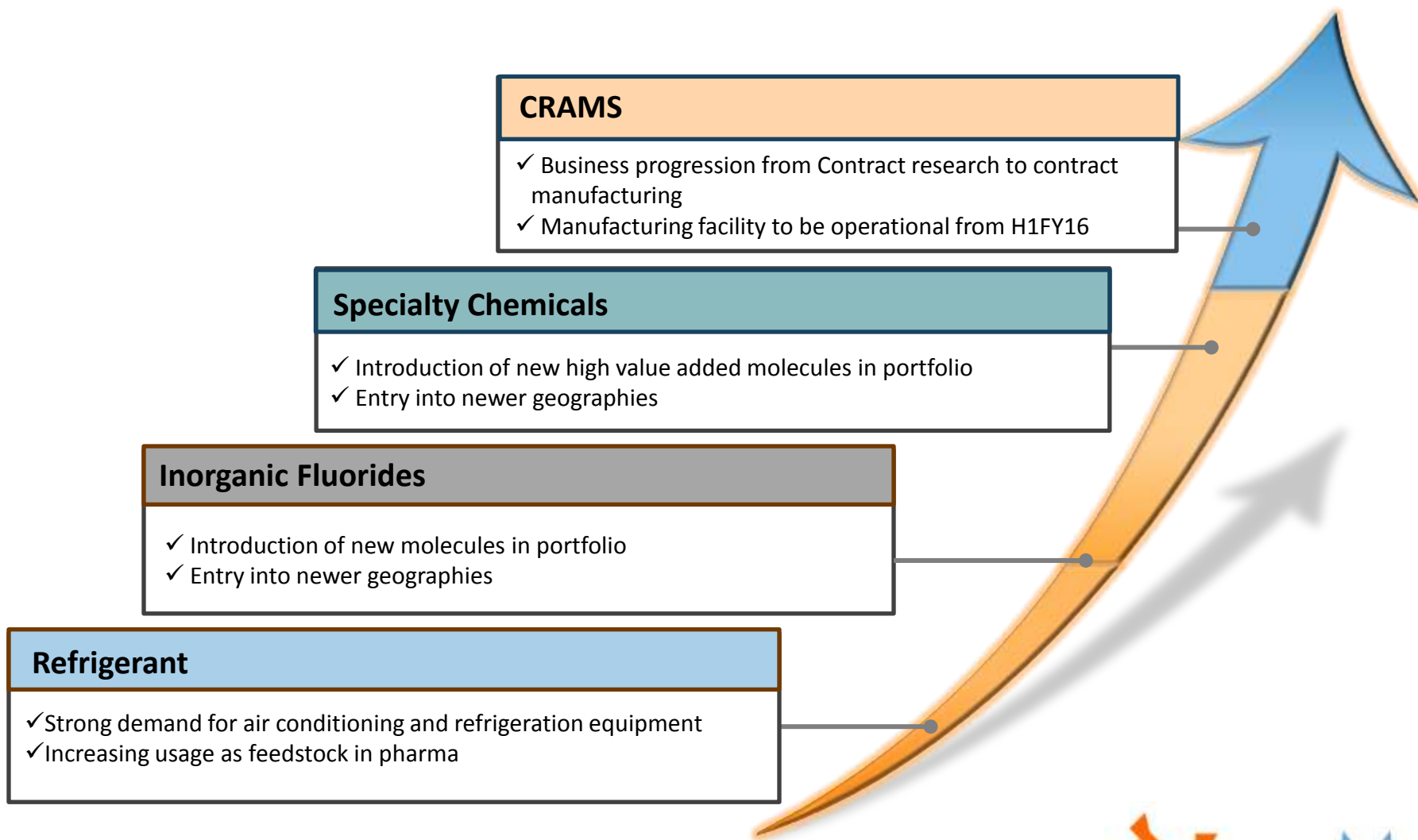
- ✓ State-of-the-art R&D centre – Navin Research Innovation Centre at Surat
- ✓ DSIR approved R&D Centre
- ✓ Supports in product addition & process efficiency in all business units
- ✓ R&D strength augmented by Manchester Organics Acquisition

Raw Material Sourcing

- ✓ Backward integration for Raw material through 25% JV partner in the only Fluorspar beneficiation company in India
- ✓ Supply from JV to commence in FY17
- ✓ Diversified sourcing of Fluorspar away from China



Growth driven by Every Business Unit



Financial Overview



Standalone Profitability Statement

Rs. Crs.	FY15	FY14	Change %	Q4 FY15	Q4 FY14	YoY%
Revenue	546	449	22%	146	124	17%
Raw Material	272	212		74	61	
Employee Expenses	61	48		15	12	
Other Expenses	150	128		38	38	
EBITDA	63	61	4%	18	13	38%
EBITDA Margin	11.6%	13.5%		12.6%	10.7%	
Interest Expenses	3	5		-	2	
Depreciation	19	21		5	5	
Operating PBT	41	35	19%	13	6	97%
Operating PBT Margin	7.59%	7.72%		8.75%	5.21%	
Other Income	27	29		11	13	
PBT	68	64		23	20	
Tax	19	13		7	2	
Profit After Tax	49	51		17	18	

Consolidated Profitability Statement

Rs. Crs.	FY15	FY14	Change %
Revenue	592	486	22%
Raw Material	289	228	
Employee Expenses	74	59	
Other Expenses	156	133	
EBITDA	72	66	9.4%
EBITDA Margin	12.2%	13.6%	
Interest Expenses	3	6	
Depreciation	20	22	
Operating PBT	49	39	26%
Operating PBT Margin	8.24%	7.94%	
Other Income	30	31	
PBT	78	69	
Tax	20	15	
Profit After Tax	58	55	
Minority Interest	(4)		
Extraordinary Items	-	11	
PAT after Minority Interest and Extraordinary Items	55	66	



Standalone Balance Sheet

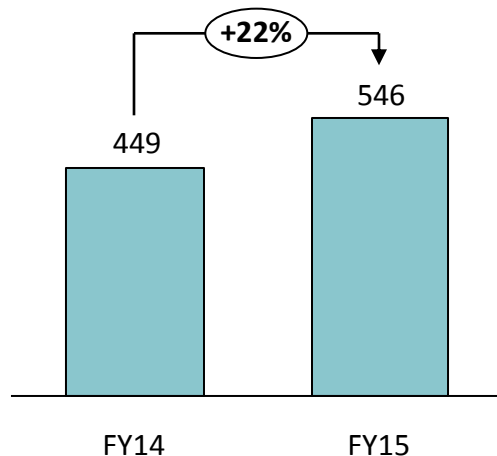
Rs. Crs.	Mar'15	Mar'14
Shareholder's Fund		
Share capital	10	10
Reserves & Surplus	561	532
Non-current liabilities		
Long Term Borrowings	12	-
Deferred Tax Liabilities (net)	32	33
Other non-current liabilities	26	27
Current liabilities		
Short term borrowings	33	57
Trade Payables	88	58
Other current liabilities	29	25
Total Liabilities	792	742
Non-current assets		
Fixed assets	270	231
Non-current Investments	179	135
Long-term loans and advances	68	55
Current assets		
Current Investments	55	128
Inventories	66	57
Trade receivables	110	83
Cash and bank balances	14	25
Short Term Loans & Advances	27	25
Other current assets	3	2
Total Assets	792	742

Consolidated Balance Sheet

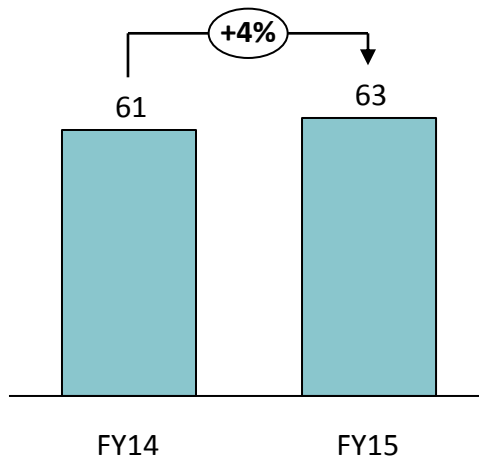
Rs. Crs.	Mar'15	Mar'14
Shareholder's Fund		
Share capital	10	10
Reserves & Surplus	578	546
Minority Interest	13	9
Non-current liabilities		
Long term borrowings	27	-
Deferred Tax Liabilities (net)	32	33
Other non-current liabilities	28	28
Current liabilities		
Short term borrowings	34	57
Trade Payables	89	61
Other current liabilities	41	35
Total Liabilities	852	779
Non-current assets		
Fixed assets	293	253
Goodwill on Consolidation	41	41
Non-current Investments	116	102
Long-term loans and advances	91	32
Current assets		
Current Investments	55	128
Inventories	76	66
Trade receivables	120	90
Cash and bank balances	28	38
Short Term Loans & Advances	28	26
Other current assets	4	3
Total Assets	852	779

Financial Indicators - Standalone

Revenue (Rs.Crs)



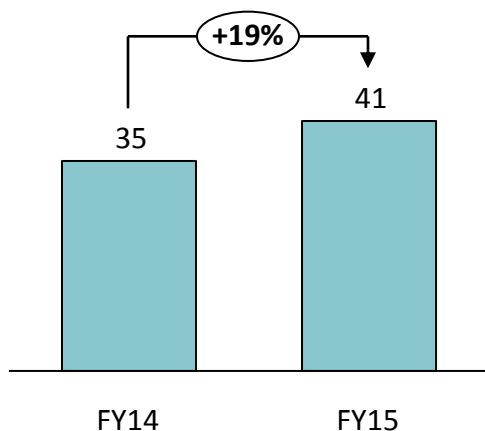
EBITDA (Rs.Crs)



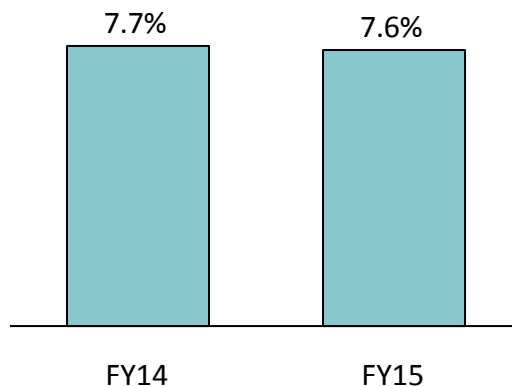
Management Commentary

- ✓ CRAMS business is progressing in line with our expectation
- ✓ Revenue growth driven by refrigerants, Specialty Chemicals & CRAMS business
- ✓ EBITDA impacted by high raw material cost & power expenses

Operating PBT (Rs.Crs)

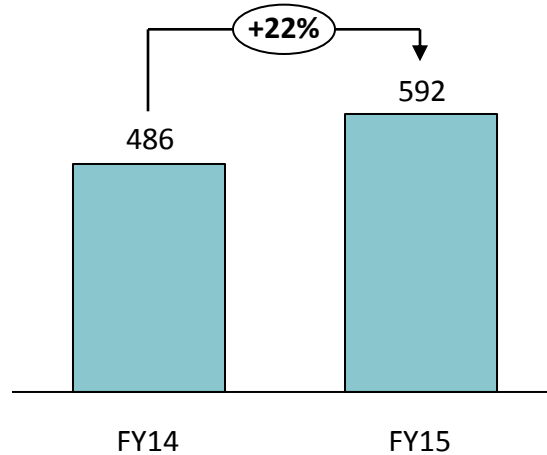


Operating PBT Margin %

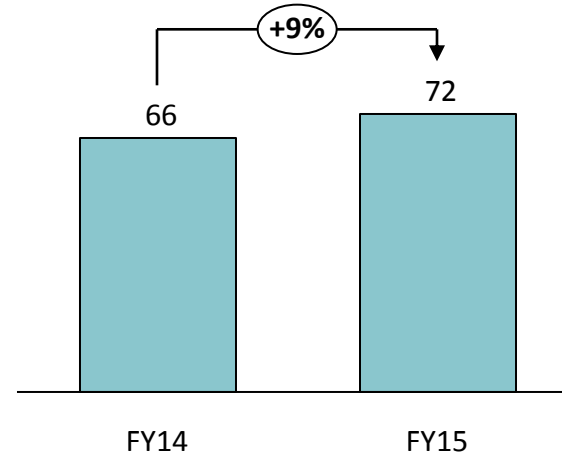


Financial Indicators - Consolidated

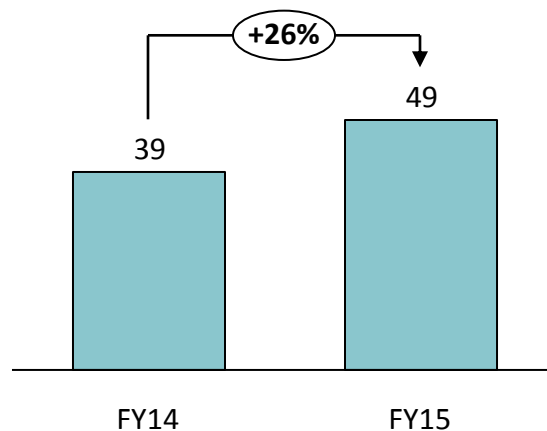
Revenue (Rs.Crs)



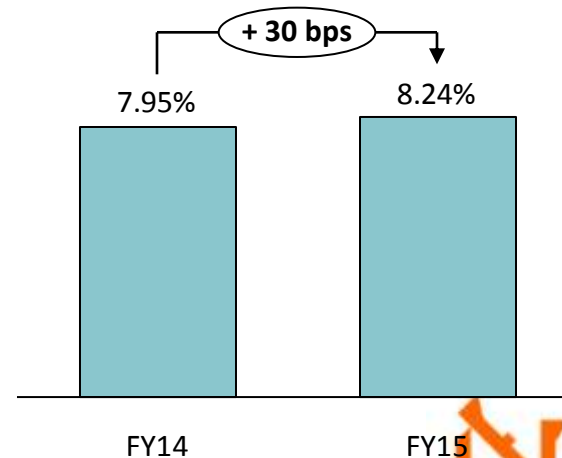
EBITDA (Rs.Crs)



Operating PBT (Rs.Crs)

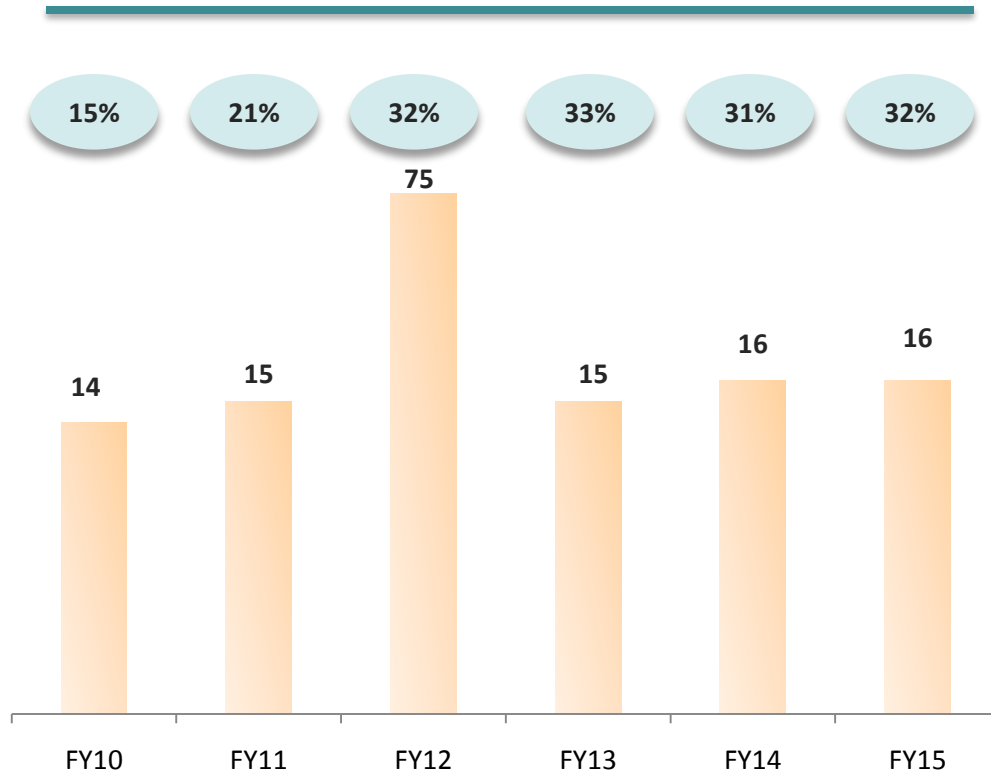


Operating PBT Margin %



Dividend History

Dividend Per Share (Rs.)



Pay out Ratio = DPS / EPS

Pay-Out Ratio of 32%

Consistent Dividend Payout

- ✓ Continuous Dividend since last 10 years
- ✓ Special Dividend of Rs. 60 per share in FY 12
- ✓ Payout Ratio of more than 30% in last 4 years
- ✓ Declared Total dividend of Rs.16 per share in FY15



For further information, please contact:

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