

October 28, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001, India.

Stock Code: 532504

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai 400051, India.

Stock Code: NAVINFLUOR EQ

Dear Sir / Ma'am,

Sub.: Investor Presentation for Q2 of FY 2020-21

In accordance with Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Investor Presentation for Q2 of FY 2020-21 is enclosed.

This is for your information and record.

Thanking You,

Yours faithfully,

For **NAVIN FLUORINE INTERNATIONAL LIMITED**

NIRAJ
MANKAD
Digitally signed
by NIRAJ
MANKAD
Date: 2020.10.28
23:13:43 +05'30'

Niraj B. Mankad

President Legal and Company Secretary

Encl.: a/a



value from
partnerships

Navin Fluorine International Limited

Investor Presentation – Q2FY21

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YoY Highlights

H1FY21

Operating Revenue
Rs. 512 crores

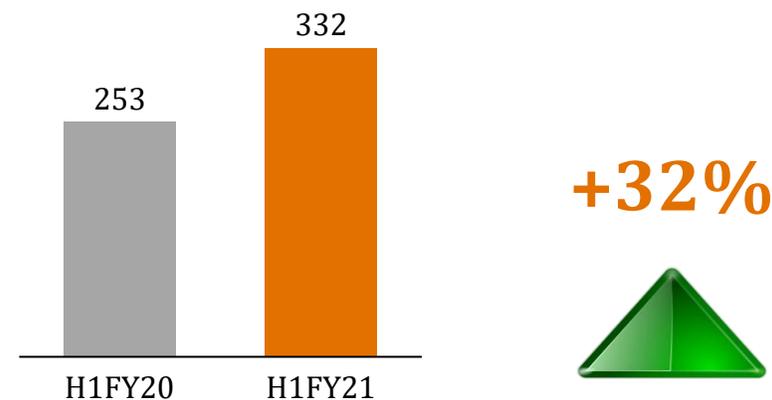
Operating EBITDA
Rs. 146 crores

Margin at 28.4%

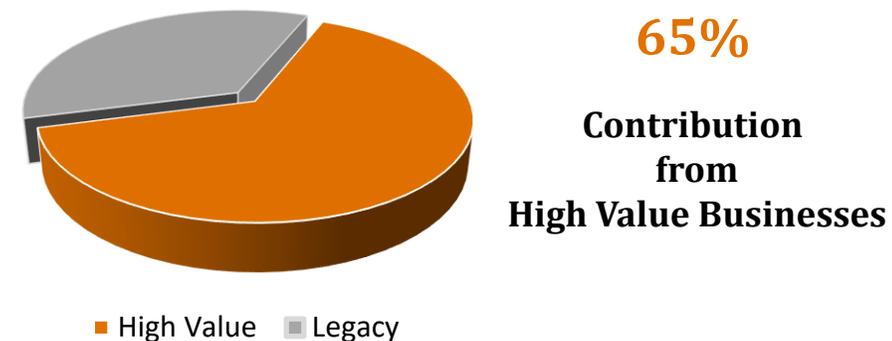
Operating PBT
Rs. 125 crores

Margin at 24.4%

High Value Business



H1FY21 Revenue Contribution



Q2FY21 – Strong Performance



YoY Highlights

Q2FY21

Operating Revenue
Rs. 308 crores

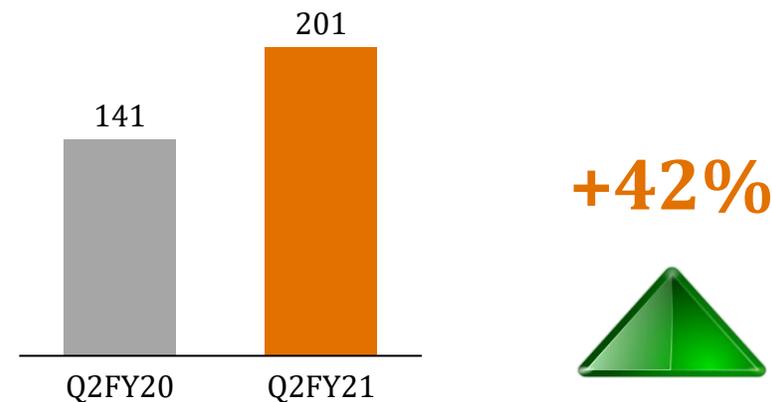
Operating EBITDA
Rs. 93 crores

Margin at 30.4%

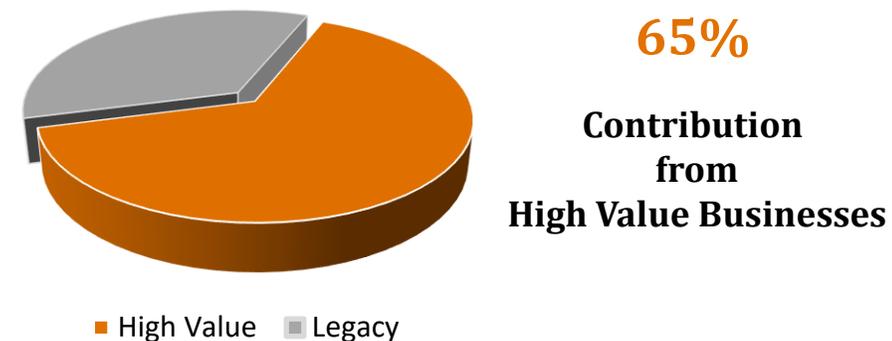
Operating PBT
Rs. 83 crores

Margin at 27.0%

High Value Business

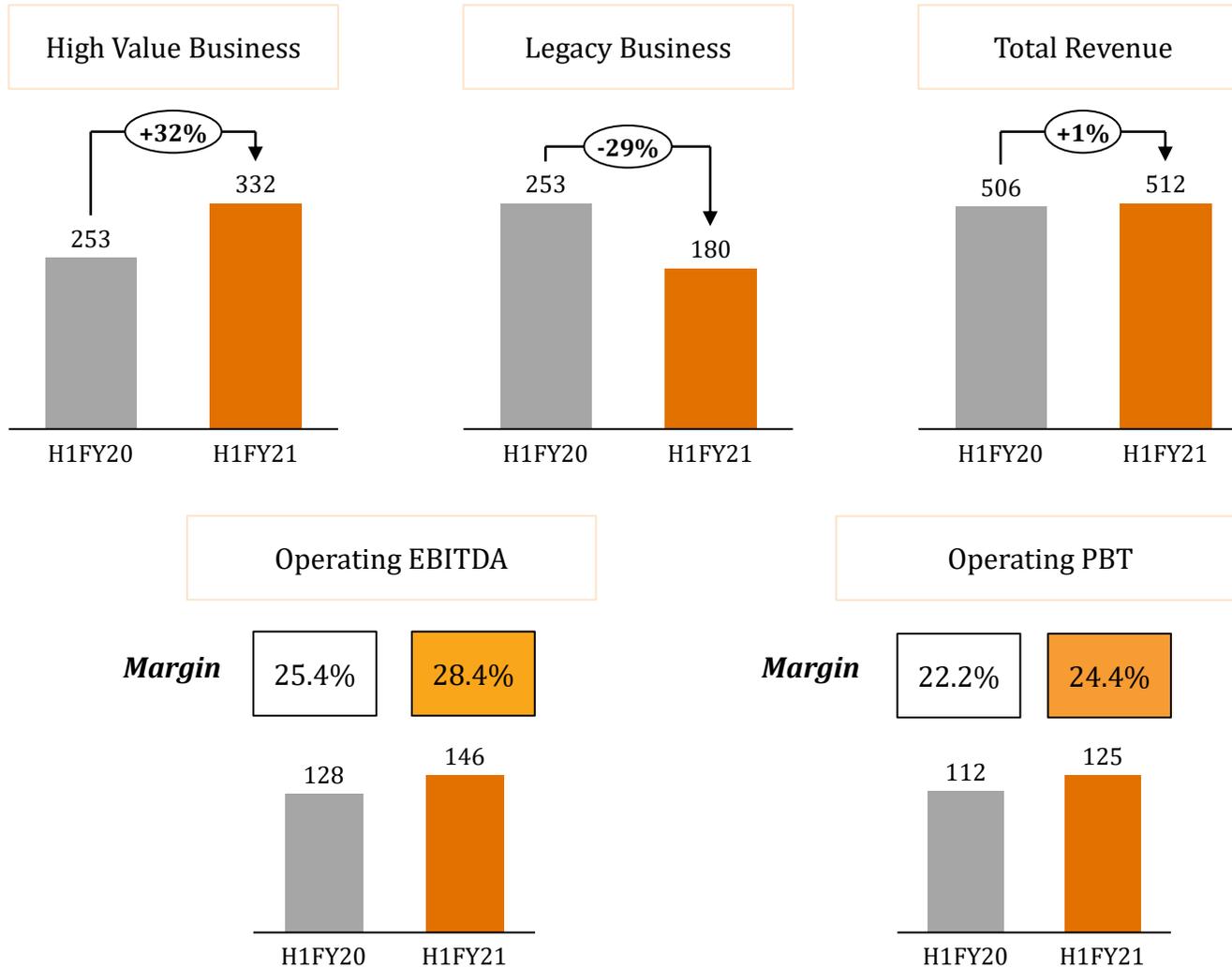


Q2FY21 Revenue Contribution



Strong EBITDA Margins

(Rs. Crs)



Total Revenue returning back to normal in Q2

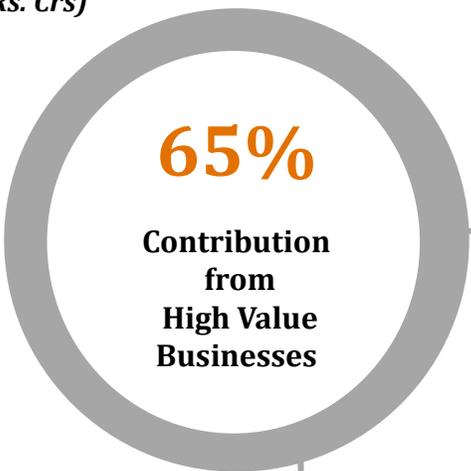
Despite COVID-19 challenges achieved EBITDA Margin of 30.4% in Q2FY21

Strong momentum in High Value Business performance

Legacy Business volumes were lower due to weak demand from the end users due to COVID-19

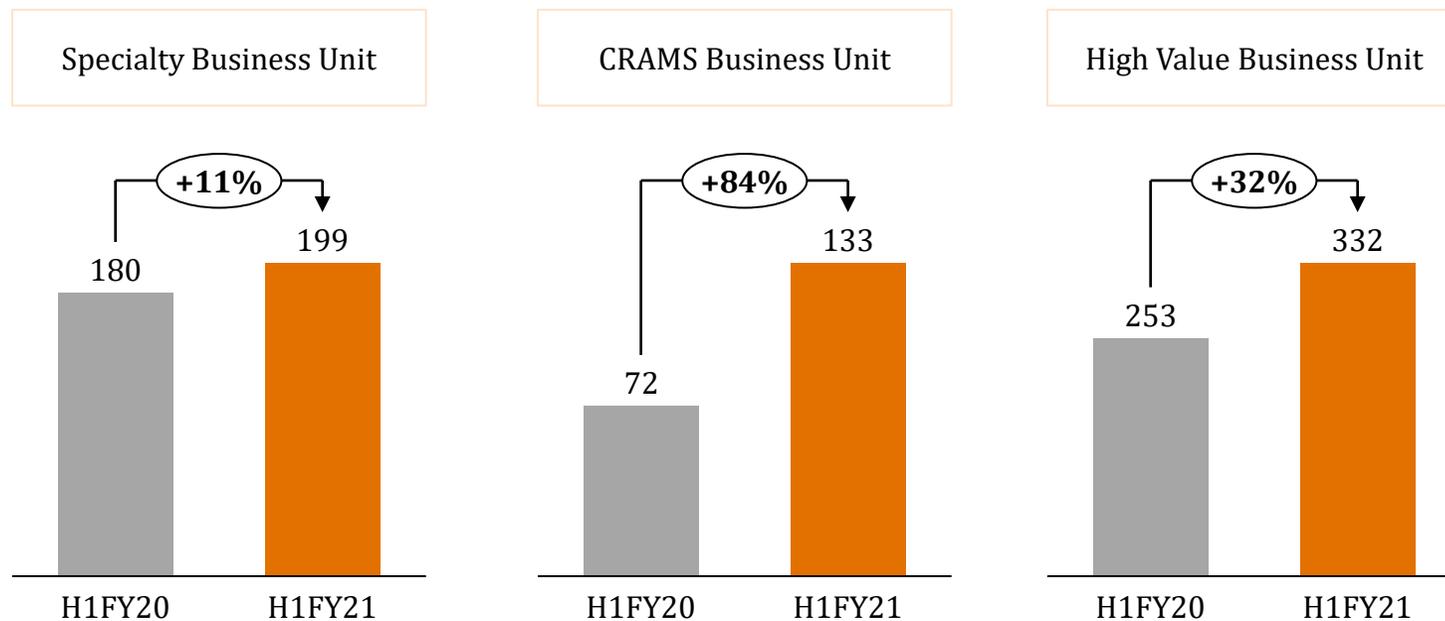
Sustainable growth in High Value Business

(Rs. Crs)



Specialty Chemicals : Well balanced growth driven by Life Science and Crop Science segments

CRAMS : Strong customer traction augurs well for future

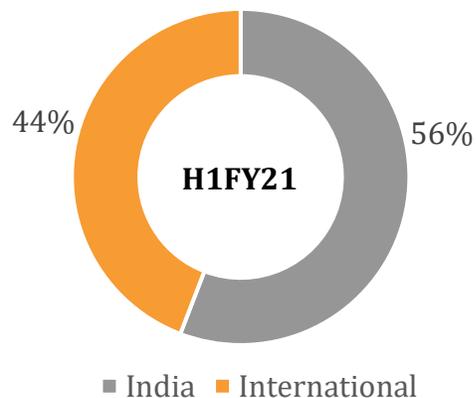
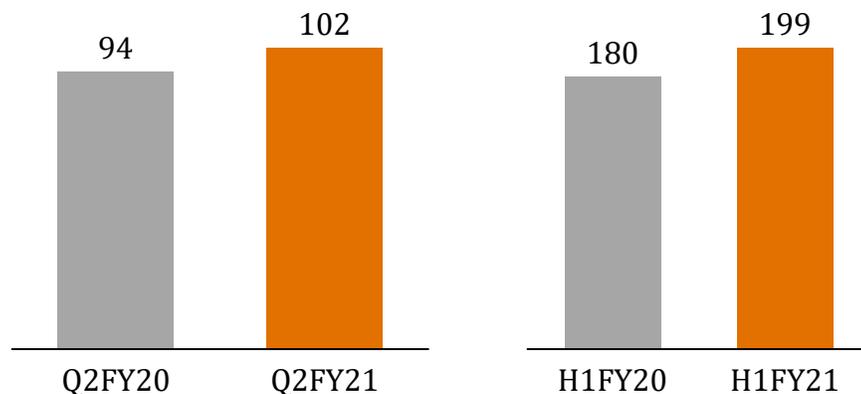


High Value Business has shown significant growth

Business Vertical - Specialty Chemicals



Revenues (Rs. Crs)

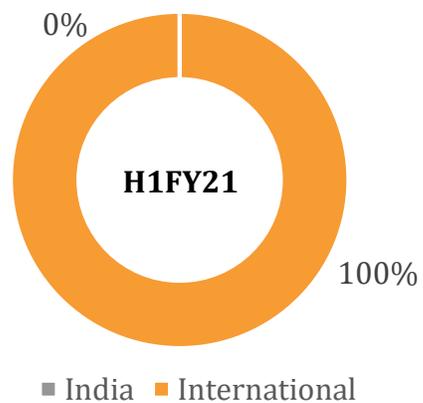
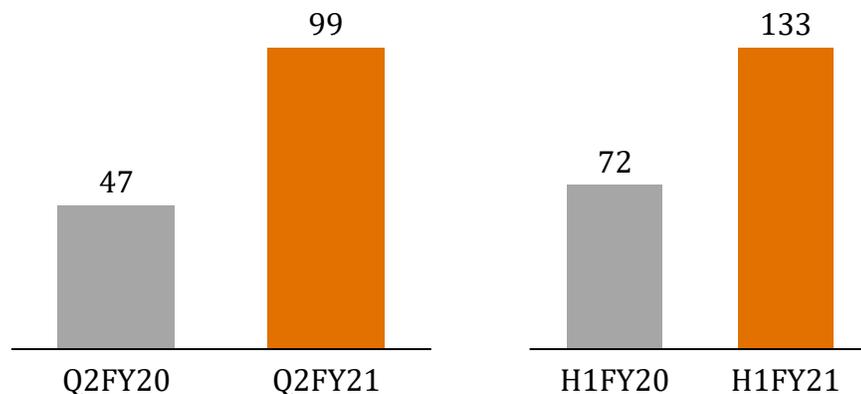


- This business has shown sustained growth
- We will continue leveraging our R&D capabilities and deep fluorination expertise to partner with global companies in this vertical
- We are optimally utilizing the facility and working on expansion plans

Business Vertical - CRAMS



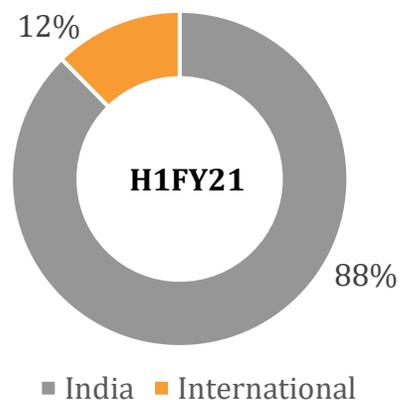
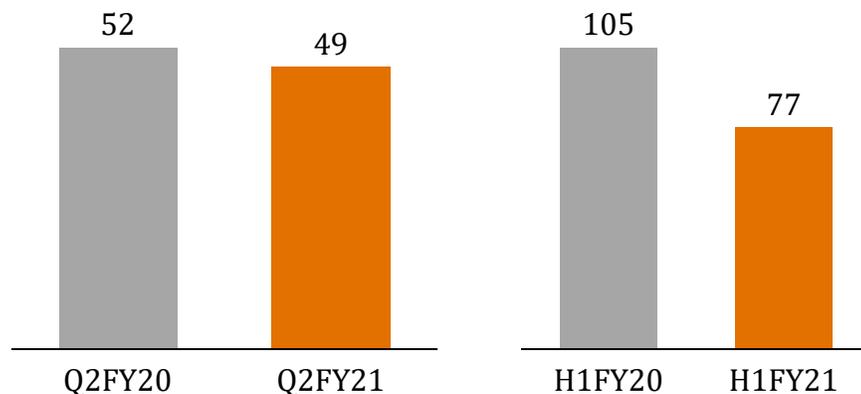
Revenues (Rs. Crs)



- Strong quarterly sales
- During H1FY21 ramped up utilisation of cGMP-3 facility
- The business is positioned for sustainable growth on the back of a strong enquiries and order flows from innovator global pharma majors



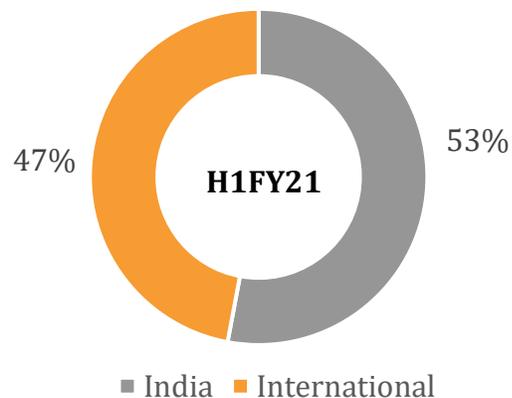
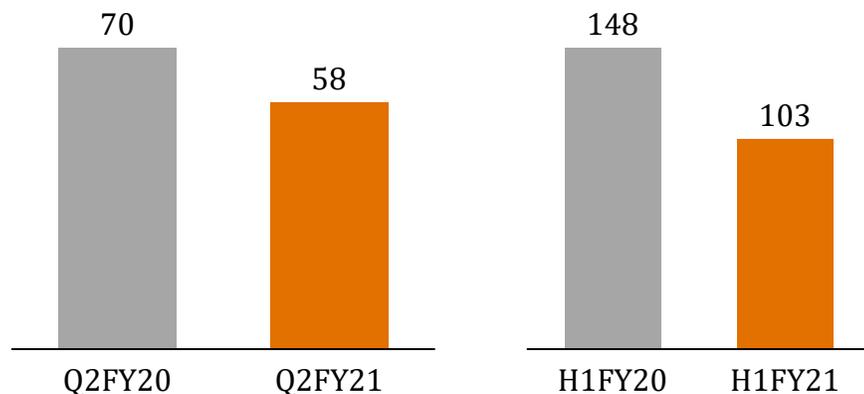
Revenues (Rs. Crs)



- Performance has shown an upward trend compared to the last quarter
- End-user segments were operating at lower capacity and prices were also under pressure due to low demand
- Made inroads in new customers during the quarter



Revenues (Rs. Crs)



- Revenue was impacted due to major dip in Trade Market while exports were impacted due to softening of prices
- Non-emissive applications continue to show growth
- Working on understanding the prospects of the next generation of ref gases

Capacity Expansion - High Performance Product (HPP)

Key Highlights

\$410 Mn
(Rs. 2,800 crs)

Contract Signed
with Global
Company

\$61.5 Mn
(Rs. 436 crs)

Capex required



7 Years

Contract Period;
Sales will be evenly
staggered

Q4 FY22

Expected
Commencement of
Supplies

**ROC &
Margins**

Company level
EBIDTA & ROC for this
project

- Entered into a \$410 million contract with a Global Company for manufacture and supply of a High-performance Product (HPP) in the fluorochemical space
- Project will be executed through wholly owned subsidiary Navin Fluorine Advanced Sciences Limited (NFASL) at Dahej in the state of Gujarat
- Investing \$51.5mn (Rs. 365 crs) for dedicated manufacturing facility and ~\$10mn (Rs.71 crs) for captive power plant
- The product is not part of the Navin Fluorine's existing product portfolio and is a new set of opportunities for application of fluorine for completely new vertical
- Will manufacture both intermediate & final product
- Intermediate can be used for multi-product manufacturing, currently the contract is for one product

High performance
product in
fluorochemical space

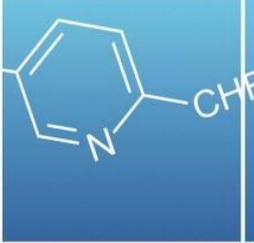
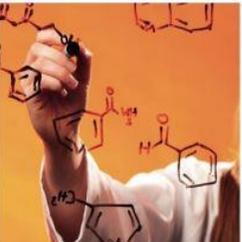
Capex to be funded
through internal
accruals & debt

Royalty free access
to technology

Through wholly
owned subsidiary
(NFASL)

HPP Contract - Reinforcement of **Trust**

Delivery on NFIL's long term strategy with important steps in portfolio transformation

 NAVIN FLUORINE INTERNATIONAL LIMITED	 PADMANABH MAFATLAL GROUP <small>Creating value. Sharing value.</small>		Milligram to Multi-tonne Production	 Responsible Care® <small>OUR COMMITMENT TO SUSTAINABILITY</small>
 MANCHESTER ORGANICS	cGMP Process Development	9 F Fluorine 19		
		Custom Research & Manufacturing		

- Developed **new capabilities** by venturing into High Performance Product (HPP)
- Entered into seven-year contract of \$410mn (i.e. approximately Rs. 2,800 crores) with a **leading Global Company**
- Expected to start from **Q4FY22**

**New
Foundation of
Business
Growth**

**Effective use
of Resources**

**Maximise
Returns on
Investments**



How Navin Fluorine's
values have translated into
business strengths....

Business Strategy

			<p>Increase share of our High Value Business (CRAMS & Specialty) which now contributes ~65% of the Topline</p>
<p>Journey of Transformation continues...</p>			<p>Innovation & Change growth - Moving into the new High-Performance Product (HPP) vertical in the fluorochemicals space</p>



Presence into High-demand **specialized product basket**

Customer's clear choice - **Strong pillar of Partnership**

Valuable and Dependable Fluorochemical Company

Clear Focus on Core Business

Piramal Pharma and Navin Fluorine Mutually Agree on Piramal increasing its stake to 100% in Convergence Chemicals



Navin Fluorine International Limited

Focus area

Expanding High Value Businesses



Piramal Group

Focus area

Continuing to grow its anesthetics business



Deal Gains

Access to Hexafluoro chemistry platform

Experience of complex technology scale-up

Strategic Capital Re-allocation – Fully exit CCPL

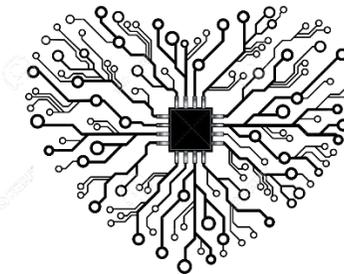
Rs. 65.1 Crores received for 49%
stake in CCPL +
Rs. 7.9 Crores for leasehold rights
of the GIDC land earmarked for CCPL



**Perpetual license to use the
technical know-how** for
development and marketing of select
products



**Raw Material supply
agreement** with Navin Fluorine
International Ltd.





Financial Performance

Standalone Profitability Statement

Particulars (Rs. Crs.)	Q2 FY21	Q2 FY20	Y-o-Y %	Q1 FY21	Q-o-Q %	H1 FY21	H1 FY20	Y-o-Y %
Net Revenue from Operations	307.7	263.9	17%	204.7	50%	512.4	505.6	1%
Raw Material	136.7	122.0		85.2		221.9	236.9	
Employee Expenses	28.3	27.0		29.1		57.4	52.6	
Other Expenses	49.3	47.3		38.4		87.7	87.8	
Operating EBITDA	93.5	67.6	38%	52.1	79%	145.6	128.3	13%
Operating EBITDA Margin	30.4%	25.6%	476 bps	25.4%	494 bps	28.4%	25.4%	302 bps
Interest Expenses	0.3	0.3		0.2		0.5	0.7	
Depreciation	10.0	7.7		9.9		19.9	15.2	
Operating PBT	83.2	59.6	40%	42.0	98%	125.1	112.5	11%
Operating PBT Margin	27.0%	22.6%	445 bps	20.5%	653 bps	24.4%	22.2%	218 bps
Other Income	8.8	8.7		35.6		44.4	15.0	
PBT	92.0	68.2	35%	77.6	19%	169.6	127.5	33%
Tax	24.7	21.8		26.0		50.7	41.6	
Profit After Tax	67.3	46.4	45%	51.6	31%	118.9	85.9	38%
Profit After Tax Margin	21.9%	17.6%	430 bps	25.2%	-331 bps	23.2%	17.0%	622 bps
Other Comprehensive Income	-0.26	-0.63		-0.2		-0.4	-1.2	
Total Comprehensive income for the Period	67.1	45.8	47%	51.4	31%	118.4	84.7	40%

Standalone Balance Sheet

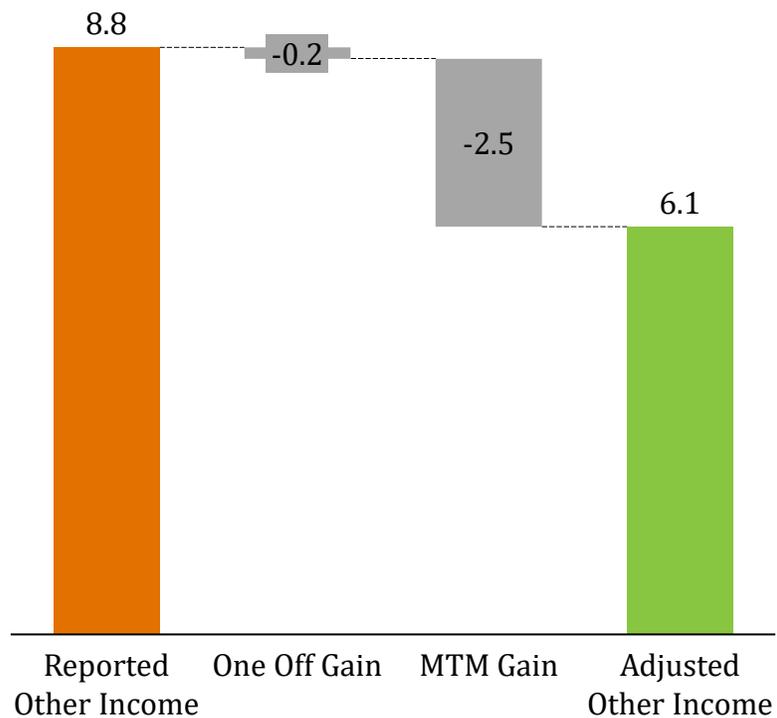
ASSETS (Rs. Crs.)	30-Sep-20	31-Mar-20	EQUITY AND LIABILITIES (Rs. Crs.)	30-Sep-20	31-Mar-20
Non-current assets	743.6	840.1	EQUITY	1,493.2	1,388.9
Property, Plant and Equipment	357.5	359.1	Equity Share Capital	9.9	9.9
Capital work-in-progress	48.2	38.9	Other Equity	1,483.3	1,379.1
Right-of-use Assets	8.8	10.4			
Investment Property	41.9	42.4	Non-Current Liabilities	30.5	30.9
Other Intangible Assets	0.8	1.0	Provisions	11.7	10.3
Investment in Subsidiaries, Associate & JV Venture	187.7	142.7	Deferred Tax Liabilities (Net)	-	-
Financial Assets			Other non-current liabilities	13.5	13.5
(i) Investments	9.9	86.1	Other Financial Liabilities	5.3	7.1
(ii) Loans	15.5	15.1	Current liabilities	155.4	154.1
(iii) Other Financial Assets	7.9	1.8	Financial Liabilities		
Non-current tax assets	58.1	113.8	(i) Borrowings	-	-
Deferred tax assets (net)	1.5	19.4	(ii) Trade Payables	102.0	92.2
Other non-current assets	5.9	9.6	(iii) Other Financial Liabilities	23.4	31.8
Current assets	935.4	733.9	Contract Liabilities	6.0	2.1
Inventories	162.9	136.1	Provisions	3.1	2.8
Financial Assets			Current Tax Liabilities (Net)	2.5	-
(i) Investments	92.5	67.5	Other Current Liabilities	18.4	25.2
(ii) Trade receivables	261.3	209.3	TOTAL EQUITY AND LIABILITIES	1,679.1	1,574.0
(iii) Cash and cash equivalents	193.6	169.2			
(iv) Bank balances other than (iii) above	167.5	94.9			
(v) Loans	5.4	6.7			
(vi) Others financial assets	8.8	5.9			
Other Current Assets	43.5	44.3			
TOTAL ASSETS	1,679.1	1,574.0			

Standalone Cashflow Statement

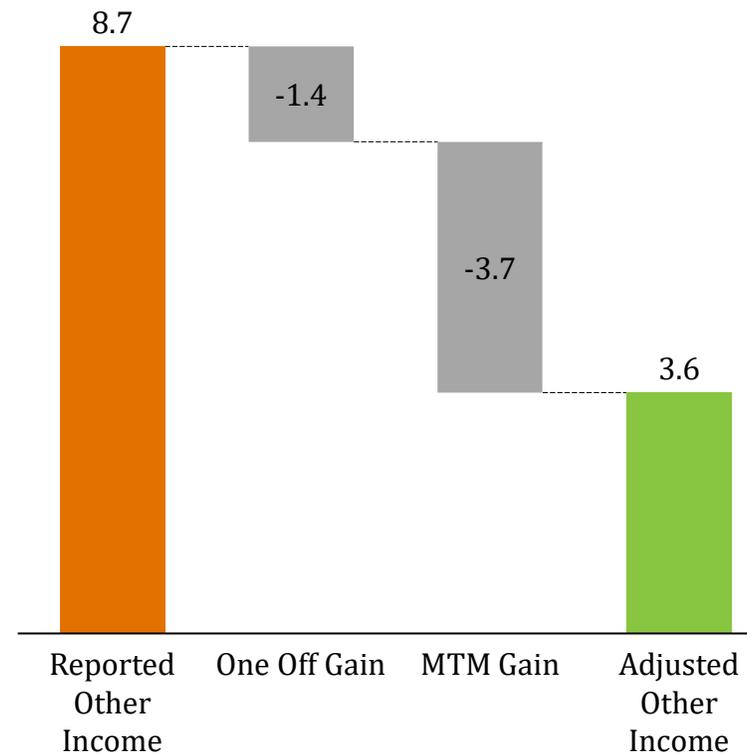
Particulars (Rs in Crs)	30-Sep-20	30-Sep-19
(A) Cash flow from operating activities		
Profit before tax	169.6	127.5
Adjustments for noncash items	4.1	3.1
Operating profit before working capital changes	173.7	130.6
Working capital adjustments	-75.6	-37.5
Cash flows generated from operating activities	98.1	93.0
(Income tax paid) / Refund	25.6	-35.7
Net Cash flows generated from operating activities (A)	98.1	57.4
Net Cash flows generated from investing activities (B)	-82.5	-33.9
Net Cash flows generated from financing activities (C)	-16.8	-26.5
Net Cash Increase/(Decrease)	24.4	-3.0

Other Income Built-up

Q2 FY21 (Rs. Crs)



Q2 FY20 (Rs. Crs)



Consolidated Profitability Statement

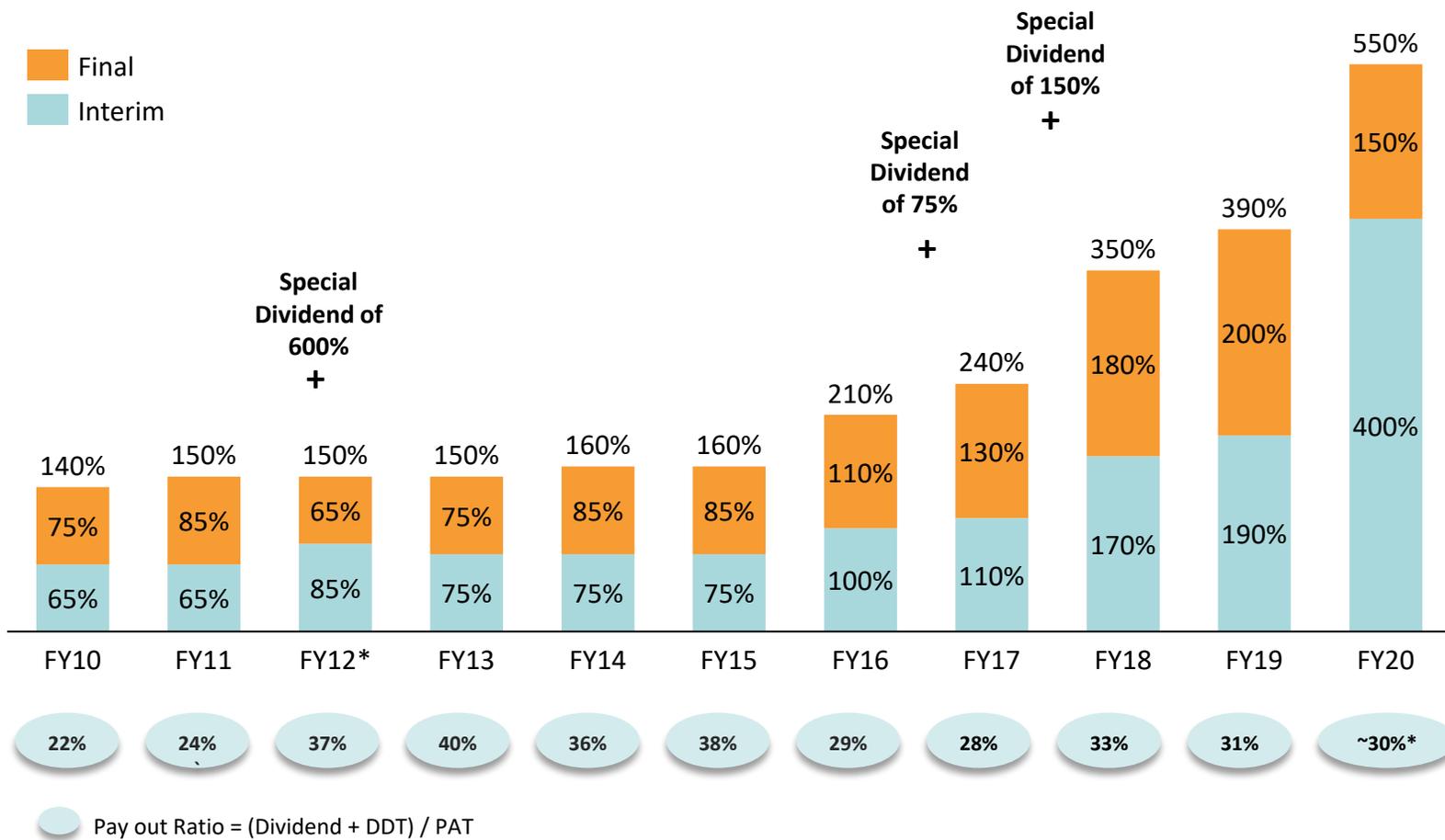
Particulars (Rs. Crs.)	Q2 FY21	Q2 FY20	Y-o-Y %	Q1 FY21	Q-o-Q %	H1FY21	H1FY20	Y-o-Y %
Net Revenue from Operations	318.9	272.9	17%	214.9	48%	533.9	524.5	2%
Raw Material	143.2	126.7		91.0		234.2	246.9	
Employee Expenses	34.0	32.1		34.6		68.6	62.6	
Other Expenses	51.0	46.1		35.5		86.5	85.7	
Operating EBITDA	90.7	68.1	33%	53.8	69%	144.6	129.2	12%
Operating EBITDA Margin	28.4%	25.0%	350 bps	25.0%	341 bps	27.1%	24.6%	244 bps
Interest Expenses	0.4	0.4		0.3		0.7	0.9	
Depreciation	10.9	8.5		10.7		21.6	16.7	
Operating PBT	79.5	59.2	34%	42.8	86%	122.3	111.6	10%
Operating PBT Margin	24.9%	21.7%	323 bps	19.9%	501 bps	22.9%	21.3%	163 bps
Other Income	9.7	9.2		36.2		45.8	16.0	
PBT	89.1	68.4	30%	79.0	13%	168.1	127.6	32%
Tax	24.7	21.9		26.1		50.8	41.5	
Profit After Tax	64.4	46.5	38%	52.9	22%	117.3	86.1	36%
Profit After Tax Margin	20.2%	17.0%	315 bps	24.6%	-441 bps	22.0%	16.4%	555 bps
Share of Profit from Associates and joint ventures (net)	3.4	0.8		3.1		6.5	4.3	
Profit for the period	67.8	47.3	43%	56.0	21%	123.8	90.4	37%
Other Comprehensive Income	0.30	-1.00		-0.42		-0.1	-2.3	
Total Comprehensive income for the Period	68.1	46.3	47%	55.5	23%	123.6	88.1	40%

Consolidated Balance Sheet

ASSETS (Rs. Crs.)	30-Sep-20	31-Mar-20	EQUITY AND LIABILITIES (Rs. Crs.)	30-Sep-20	31-Mar-20
Non-current assets	726.7	844.9	EQUITY	1,521.7	1,412.2
Property, Plant and Equipment	362.2	364.2	Equity Share Capital	9.9	9.9
Capital work-in-progress	61.5	38.9	Other Equity	1,511.8	1,402.3
Right-of-use Assets	18.2	20.8			
Investment Property	54.5	55.0	Non-Current Liabilities	40.0	39.1
Other Intangible Assets	0.8	1.0	Provisions	11.7	10.3
Goodwill	87.8	87.8	Deferred Tax Liabilities (Net)	2.6	-
Investment in Subsidiaries, Associate & JV Venture	46.9	40.5	Other non-current liabilities	13.5	13.5
Financial Assets			Other Financial Liabilities	12.2	15.3
(i) Investments	11.2	87.4	Current liabilities	185.0	177.2
(ii) Loans	8.7	7.5	Financial Liabilities		
(iii) Other Financial Assets	8.9	2.3	(i) Borrowings	2.4	1.4
Non-current tax assets	60.1	114.9	(ii) Trade Payables	112.4	98.1
Deferred tax assets (Net)	-	15.1	(iii) Other Financial Liabilities	27.3	35.5
Other non-current assets	5.9	9.6	Contract liabilities	6.0	2.1
			Provisions	3.1	2.8
Current assets	1,020.0	783.6	Current Tax Liabilities (Net)	2.5	0.0
Inventories	186.7	157.9	Other Current Liabilities	31.4	37.3
Financial Assets			TOTAL EQUITY AND LIABILITIES	1,746.7	1,628.5
(i) Investments	92.5	67.5			
(ii) Trade receivables	267.3	218.5			
(iii) Cash and cash equivalents	202.9	176.7			
(iv) Bank balances other than (iii) above	207.7	107.0			
(v) Loans	4.2	4.5			
(vi) Others financial assets	6.3	5.9			
Other Current Assets	52.3	45.5			
TOTAL ASSETS	1,746.7	1,628.5			

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 recommended interim dividend of Rs. 5 per share of FV of Rs. 2 each (250% of FV) for FY21



NFIL at glance



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



Strong Clientele base in India & abroad, including Global Innovators



Largest Integrated Specialty Fluorochemical Company in India



Over **50 years** of expertise in Handling Fluorine



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



Pioneers of Refrigerant Gas manufacturing in India



"**RESPONSIBLE CARE**" certification



Manufacturing

- Chemical Complex at **Surat** spread over **135 acres**, houses Refrigerant, Inorganic Fluorides & Specialty Chemicals Plants
- **cGMP Compliant facility** for CRAMS in **Dewas**
- **New Greenfield Investment** coming up in Dahej

Raw Material Sourcing

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

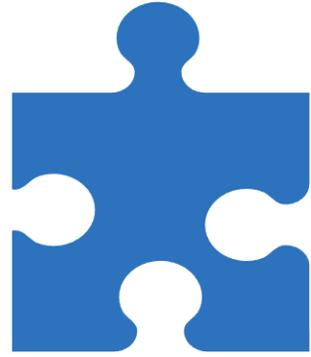
In-house R&D

- 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**

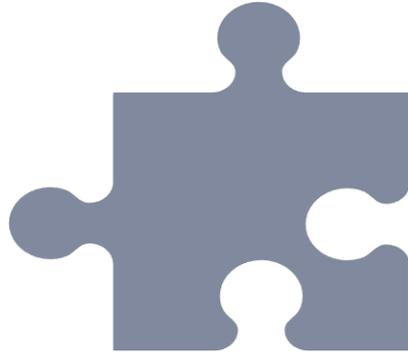
Fluorination Capabilities

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

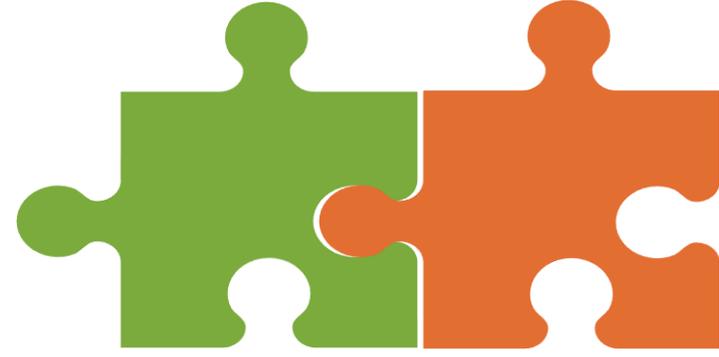
Our Delivery



Commenced **Specialty Chemicals** in 2000



Commenced **CRAMS** business in 2011



Inorganic Fluorides & Refrigerants are traditional business since 1967

FY20 – Revenue %

Specialty Chemicals – 37%

CRAMS – 17%

Inorganic Fluorides – 20%

Refrigerants – 25%

FY11 – Revenue %

Specialty Chemicals – 27%

CRAMS – 0%

Inorganic Fluorides – 18%

Refrigerants (Incl. CER) – 55%

* CRAMS business generating revenue since FY13 and Excludes Revenue from Dahej Operations of Rs. 55.68 Crs till 30th November 2017 for FY18

Thank You Note

*Thank
you*

For further information, please contact:

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Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN : U74140MH2010PTC204285

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