



Contents

Corporate Overview

- 01 Corporate information
- 02 Our FY 2022-23 performance at a glance
- 04 Corporate snapshot
- 06 How we strengthened our performance over the years
- 08 Our quarterly performance FY 2022-23
- 10 Chairman's review
- 12 The Managing Director's review
- 14 How we have strengthened the financial competitiveness of our business
- 16 How trust building has enhanced value for all our stakeholders in an integrated way
- 20 Business drivers
- 30 Board of Directors profile
- 32 Our business verticals
- 38 Strengthening community engagement at Navin Fluorine

Statutory Reports

- 41 Notice of AGM
- 66 Directors' Report
- 75 Management Discussion and Analysis Report
- 83 Corporate Governance Report
- 99 Business Responsibility and Sustainability Report

Financial Section

- 155 Standalone Financial Statements
- 224 Consolidated Financial Statements

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Online Annual Report
www.nfil.in



**Our Beloved Visionary Founder
Shri Arvind N. Mafatlal**



A Life Lived With Grace
(27th October, 1923 - Forever)
Celebrating His Centenary Birth Year

Corporate information

Board of Directors

Mr. Vishad P. Mafatlal
(DIN: 00011350) Chairman

Mr. Mohan M. Nambiar
(DIN: 00046857) Director

Mr. Pradip N. Kapadia
(DIN: 00078673) Director

Mr. Sunil S. Lalbhai
(DIN: 00045590) Director

Mr. Sudhir G. Mankad
(DIN: 00086077) Director

Mr. Harish H. Engineer
(DIN: 01843009) Director

Ms. Radhika V. Haribhakti
(DIN: 02409519) Director

Mr. Atul K. Srivastava
(DIN: 00046776) Director

Mr. Ashok U. Sinha
(DIN: 00070477) Director

Mr. Sujal A. Shah
(DIN: 00058019)

Ms. Apurva S. Purohit
(DIN: 00190097) Director

Mr. Radhesh R. Welling
(DIN: 07279004) Managing Director

Company Secretary

Mr. Niraj B. Mankad

Chief Financial Officer

Mr. Anish P. Ganatra
(w.e.f. February 9, 2023)

Bankers

AXIS Bank Limited

Bank of Baroda

Citibank NA

HDFC Bank Limited

HSBC Limited

Statutory Auditors

Price Waterhouse Chartered
Accountants LLP

Solicitors

Vigil Juris

Manufacturing Units

Navin Fluorine, Surat 395023
(Gujarat)

Navin Fluorine, Dahej, District
Bharuch 392130 (Gujarat)

Navin Fluorine, Dewas 455022
(Madhya Pradesh)

Registered Office

Office No. 602, 6th floor, Natraj by
Rustomjee, Near Western Express
Highway, 194, Sir Mathuradas
Vasanji Road, Andheri (East),
Mumbai 400069, India
Tel.: +91 22 6650 9999;
Fax: +91 22 6650 9800;
E-mail: info@nfil.in;
Website: www.nfil.in

Registrar & Share Transfer Agent

KFin Technologies Limited
(formerly known as KFin
Technologies Private Limited)
Selenium Building, Tower B, Plot
No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad 500032
Tel.: +91 40 67162222-24
Telefax: +91 40 - 23001153
E-mail ID: einward.ris@kfintech.com
Website: <https://www.kfintech.com>

25th Annual General Meeting

On Monday, July 31, 2023 at
3.00 pm IST through video
conferencing/other audio visual
means

Our FY 2022-23 Performance at a Glance

2,113

Revenues (₹ in crs)

21

Return on capital
employed (%)

375

Net profit (₹ in crs)

586

EBITDA before
exceptional items
(₹ in crs)

21,144

Market capitalisation as
on March 31, 2023
(₹ in crs)

Revenue by geography

FY 2022-23

| | |
|----------|---------|
| 34% | 66% |
| Domestic | Exports |

FY 2021-22

| | |
|----------|---------|
| 48% | 52% |
| Domestic | Exports |

Revenue by business units

FY 2022-23

| | | |
|---------------------|------------------------------|--|
| 36% | 43% | 21% |
| Specialty chemicals | High Performance Products | Contract Development and Manufacturing Organisation |

FY 2021-22

| | | |
|---------------------|------------------------------|--|
| 39% | 37% | 24% |
| Specialty chemicals | High Performance Products | Contract Development and Manufacturing Organisation |



Trust

Through People, Partnerships and Platforms

At Navin Fluorine, building trust is at the core of what we do.

We enhance trust through the interplay of People, Partnerships and Platforms.

We train, motivate and empower our people, leading to timely, informed and responsible decisions - a virtuous cycle.

We engage in trust-based partnerships – with marquee customers at one end and stable suppliers at the other – that makes it possible to grow our business in a sustainable way.

We leverage our consistent outperformance to be able to reinvest in our business, widening the value we create for all our stakeholders.

This interplay has made us an attractively sustainable Company evoking the respect of all our stakeholders.

Navin Fluorine,

One of the largest and the most respected Indian manufacturers of specialty fluorochemicals.

The company is a trusted partner for global downstream users.

The company is also a fluorochemical solutions provider for various downstream sectors.

The Company is witnessing an exciting phase, making sizable investments in capacity, product platforms and multi-year partnerships.



Our vision

We at Navin Fluorine are committed to be a world class, customer focused, innovative organisation in the field of fine and specialty chemicals and partner of choice to global life science, crop science and material science companies.



Our mission

- To partner with our customers by providing world class fluorochemical intermediates, products and services.
- To continue and grow research and development as the sustenance engine of the organisation.
- To innovate, build and operate chemical plants in the most safe and environment friendly manner.
- To continuously enhance stakeholder value by optimum utilisation of resources.



Our pedigree

Navin Fluorine, the flagship Company of the Padmanabh Mafatlal Group, is led by Mr. Vishad P. Mafatlal (Chairman), Mr. Radhesh R. Welling (Managing Director) and a team of experienced professionals.



Our positioning

Navin Fluorine has emerged as a pure-play fluorination company, strengthening its personality and recall. The Group enjoys an extensive presence across three fluorine-based verticals backed by timely investments in R&D, assets and advanced technologies.



Our brand

The Group's prominent Mafron brand evokes the trust of refrigerant gas OEMs and aftermarket customers. Besides, the Navin Fluorine corporate brand stands for integrity, ESG standards and a commitment to enhance value for all stakeholders in a sustainable way.



Our strengths

The Group is a fluorination leader, possessing more than half a century's rich experience in complex fluorine chemistries. The Group is also a trustworthy supplier of specialty chemicals, refrigerants, inorganic chemicals and Contract Research and Development Services, marked by growing customer relationships.



Our footprint

Headquartered in Mumbai (India), the Company operates manufacturing units - in Surat (Gujarat) and Dewas (Madhya

Pradesh) and one manufacturing unit of Navin Fluorine Advanced Sciences Limited in Dahej (Gujarat). These units

are proximate to ports, making it convenient to import raw materials and export finished products. The Group also operates

a manufacturing unit in Manchester (United Kingdom).



Our products

- Prominent manufacturer of fluorinated specialty chemicals
- The first and only producer of hydrofluoro-olefins in India
- One of the world's largest BF₃ gas manufacturers
- Large Indian manufacturer of inorganic fluorides
- Advanced CDMO services provider in the fluorination segment



Our clients

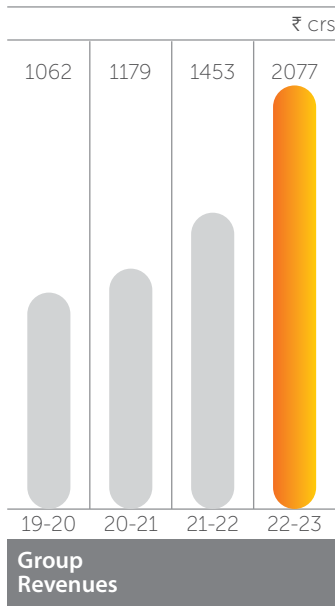
Navin Fluorine addresses the growing needs of marquee global clients, comprising key global life science and crop science innovators, leading petrochemical players, stainless steel manufacturers, air-conditioner OEMs and other downstream fluorochemical users.



Our certifications

Our manufacturing units in Surat, Dewas and Dahej are certified for ISO 45000-1, ISO 14000-1 and ISO 9000-1. Navin Fluorine is also a registered user of the prestigious Responsible Care logo.

How we strengthened our performance over the years



Definition

Growth in sales net of taxes.

Why this is measured

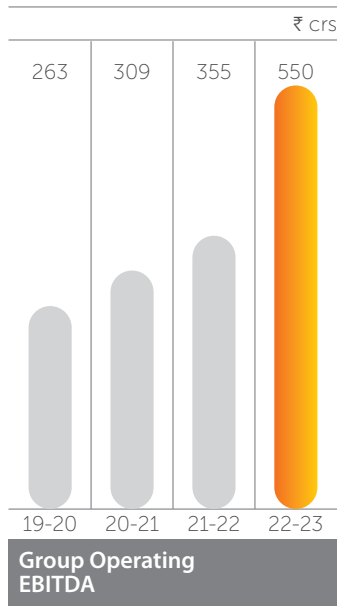
It is an index that showcases the Group's ability to maximise revenues, which provides a basis against which its performance can be compared with sectoral peers.

What this means

Aggregate sales increased 43% during the year under review following the commissioning of a greenfield site in Dahej.

Value impact

The volume offtake remained creditable in an otherwise challenging year for the economy, following the commissioning of our new site in Dahej.



Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why this is measured

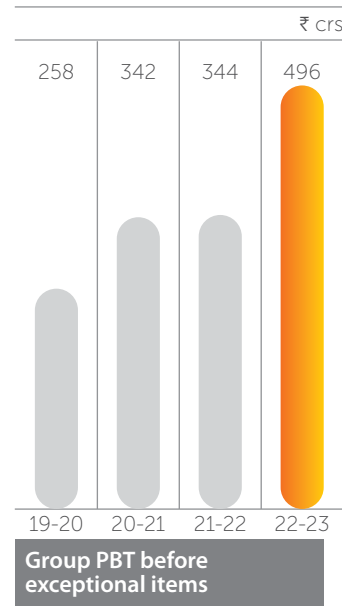
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

What this means

Helps create a robust surplus generating engine that facilitates reinvestment.

Value impact

The Group reported 55% growth in EBITDA in FY 2022-23, primarily reflecting the commissioning of new assets in Dahej in addition to improved price realisations.



Definition

Profit earned during the year after deducting all expenses.

Why this is measured

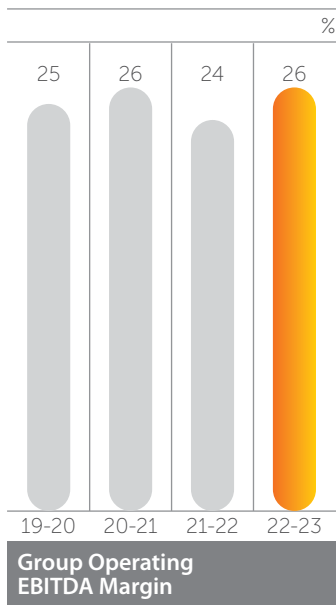
This measure highlights the strength of the business model in enhancing shareholder value.

What this means

This ensures the quantum of cash available for reinvestment.

Value impact

The Group reported a 44% increase in profit before tax and exceptional items in FY 2022-23.



Definition

EBITDA margin is a profitability measure to ascertain a company’s operating efficiency.

Why this is measured

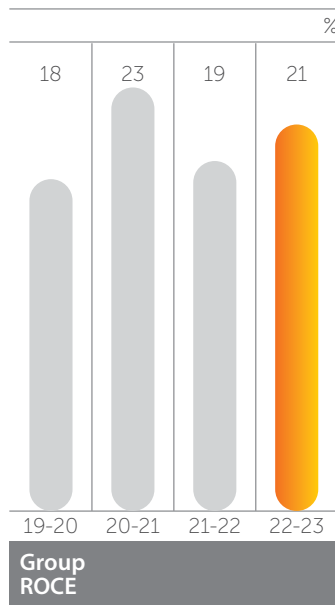
The EBITDA margin provides an index of how much a company earns (before interest, taxes, depreciation and amortisation) on each rupee of sales.

What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

Value impact

The Group reported a 200 bps increase in EBITDA margin in FY 2022-23.



Definition

This financial ratio measures efficiency with which capital is employed in the business.

Why this is measured

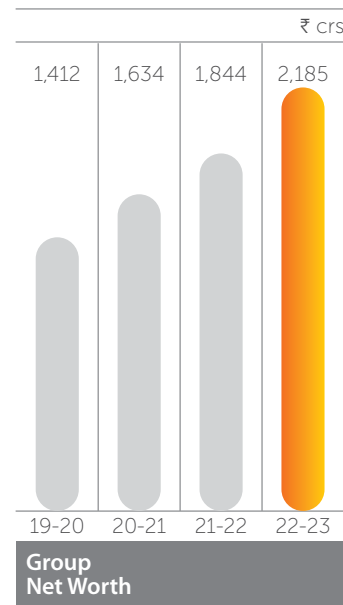
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

What this means

Enhanced ROCE shows the disciplined capital allocation.

Value impact

The Group reported a 200 bps increase in ROCE in FY 2022-23.



Definition

This is derived through the accretion of shareholder-owned funds.

Why this is measured

Net worth indicates the financial soundness of the Company – the higher the better.

What this means

This indicates the borrowing capacity of the Company that influences the gearing (which, in turn, influences the cost at which the Company can mobilise debt).

Value impact

The Group’s net worth strengthened by 18% during the year under review.