Management Interaction
05th August 2025

Navin Fluorine International Ltd.

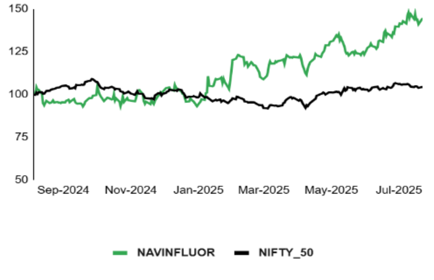
CMP: INR 5,172

Stock Info	
BSE	532504
NSE	NAVINFLUOR
Bloomberg	NAVINFLUOR.IN
Reuters	NAVINFLUOR.BO
Sector	Speciality Chemicals
Face Value (INR)	2
Equity Capital (INR Mn)	992
Mkt Cap (INR Bn)	264.77
52w H/L (INR)	5,444 / 3,160
Avg. Yearly Volume (in 000')	199

Shareholding Pattern % *(As on June, 2025)*	
Promoters	27.13
DIIs	29.88
FIIs	21.98
Others	21.01

Stock Performance (%)	1M	6M	1Y
NAVINFLUOR	5.85	21.62	49.65
Nifty 50	-3.19	4.02	2.47

NAVINFLUOR Vs Nifty



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Navin Fluorine operates through three main business segments: High Performance Products which is the largest contributor with 51% of the total revenue; Specialty Chemicals contributing 34% and CDMO, accounting for around 15%. The company has manufacturing facilities in Gujarat, Madhya Pradesh and the UK along with advanced R&D centers. It offers over 70 products globally across its business verticals.

Key Takeaways:

Key Business Segment

CDMO
- CDMO has untapped potential with a target of achieving 100 mn USD in turnover by FY27 and is a critical tipping point for the business.
- Phase 1 is nearing completion and Phase 2 capex will be initiated once the current expanded capacity reaches 60-65% utilization supported by a robust project pipeline.
- While CDMO Phase 1 is dedicated to a single product with a 30 mn USD revenue potential. The anticipated demand will require another multi-purpose plant within the next 12 months to support broader CDMO expansion.
- Actively working on a portfolio of 5-10 highly relevant molecules at any given time.

Specialty Chemicals
- Capex is concentrated on debottlenecking and improving existing infrastructure to optimize asset utilization.
- Debottlenecking capex in spechem is projected to yield significantly higher asset turns around 1.7x-1.8x compared to the historical average of 1.1x-1.2x.
- Despite persistent pricing pressure in commodity market and intense competition from China, the company anticipates a robust volume recovery in H2 FY26. Volume upticks have been observed since June although at competitive price points.
- Discussions are underway for three new molecules with at least two identified as having substantial potential.

High-Performance Products
- The demand for refrigerant gas markets remains buoyant and strong indicating sustained demand.
- Capex encompasses both product-focused investments and service-oriented projects.

Advanced Materials
- Projected to contribute approximately 15% of the expanded turnover by 2030 mirroring the current significance of the CDMO business.
- Aim to penetrate highly specialized, niche applications, including electronic-grade materials, and immersion cooling solutions for high-value equipment like data centers and hyper data centers and semiconductor applications.
- Chemours Project: The Chemours project, is a component of the Wave 2 capex announcements. The product is commercially proven and addresses an essential future demand for hyperdata centres and AI. Initial investments are geared towards accelerating market adoption rather than immediate mass production.

HFO Business
- Targeting a specific niche within the broader blowing agent category.
- Current operations are stable at 8,000-9,000 MT deemed a reasonable quantity for 2025.

R32 Refrigerant Business
- The company intends to claim its full R32 entitlement and ensure the corresponding capacity is fully operational on the ground by December 2026. This timeline is critical as new capacities are not expected to be viable beyond 2026.

Capital Allocation Strategy
- Company has set a capex of INR 7-10 bn and the recent fundraise was for accelerating growth across the business.

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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