

July 09, 2024

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400001

**Scrip Code: 532504**

**National Stock Exchange of India Limited**

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

**Symbol: NAVINFLUOR**

Dear Sir / Madam,

**Sub.: Annual Report of the Company for the Financial Year 2023-2024**

Pursuant to Regulation 30 and Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, the Annual Report of the Company for the financial year 2023-2024 including the Notice of the 26<sup>th</sup> Annual General Meeting of the Members of the Company.

The Annual Report is also being made available on the Company's website at:

[https://nfil.in/investor/annu\\_reports.html](https://nfil.in/investor/annu_reports.html)

This is for your information and record.

Thanking you,

Yours faithfully,

For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Niraj B. Mankad**

**President Legal and Company Secretary**

*Encl.: a/a*

2023-24  
Annual Report

# Empowering Progress



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To get this report online and for any other information, log on to: [www.nfil.in](http://www.nfil.in)



QR Code for the Annual Reports

## Release of commemorative stamp in honour of the centenary birth year of Late Shri Arvind N. Mafatlal



India's honourable Prime Minister Shri Narendra D. Modi on October 27, 2023, released a special postal stamp in Chitrakoot, Madhya Pradesh, in honour of the industrialist and philanthropist Late Shri Arvind N. Mafatlal to celebrate his centenary birth year.

### 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.

# Corporate Information

## BOARD OF DIRECTORS

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

**Mr. Mohan M. Nambiar**  
(DIN: 00046857) Non-Executive  
Non-Independent Director

**Mr. Pradip N. Kapadia**  
(DIN: 00078673) Independent Director  
(upto June 24, 2024)

**Mr. Sunil S. Lalbhai**  
(DIN: 00045590) Independent Director  
(upto June 24, 2024)  
Non-Executive Non-Independent  
Director (w.e.f. June 25, 2024)

**Mr. Sudhir G. Mankad**  
(DIN: 00086077) Independent Director  
(upto June 24, 2024)

**Mr. Harish H. Engineer**  
(DIN: 01843009) Independent Director  
(upto June 24, 2024)

**Ms. Radhika V. Haribhakti**  
(DIN: 02409519) Independent Director  
(upto July 29, 2024)

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

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

**Mr. Sujal A. Shah**  
(DIN: 00058019) Independent Director

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

**Mr. Sudhir R. Deo**  
(DIN: 01122338) Non-Executive  
Non-Independent Director  
(w.e.f. September 28, 2023)

**Mr. Abhijit J. Joshi**  
(DIN: 07115673) Independent Director  
(w.e.f. May 07, 2024)

**Mr. Radhesh R. Welling**  
(DIN: 07279004) Managing Director  
(upto December 15, 2023)

**Mr. Nitin G. Kulkarni**  
(DIN: 03042587) Managing Director  
(w.e.f. June 24, 2024)

## CHIEF FINANCIAL OFFICER

**Mr. Anish P. Ganatra**

## COMPANY SECRETARY

**Mr. Niraj B. Mankad**

## BANKERS

AXIS Bank Limited  
Bank of Baroda  
Citibank NA  
HDFC Bank Limited  
HSBC Limited

## STATUTORY AUDITORS

Price Waterhouse Chartered  
Accountants LLP

## SOLICITORS

Vigil Juris

## CORPORATE IDENTIFICATION NUMBER (CIN)

L24110MH1998PLC115499

## REGISTERED OFFICE

Office No. 602, 6<sup>th</sup> 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

## INVESTOR RELATION E-MAIL ID

investor.relations@nfil.in

## MANUFACTURING UNITS

Navin Fluorine, Surat 395023 (Gujarat)  
Navin Fluorine, Dewas 455022  
(Madhya Pradesh)  
Navin Fluorine, Dahej, District Bharuch  
392130 (Gujarat)

## REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited  
Selenium Building, Tower B,  
Plot No. 31 & 32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad 500032, India  
Tel.: +91 40 6716 2222-24  
Telefax: +91 40 2300 1153  
E-mail ID: einward.ris@kfintech.com  
Website: www.kfintech.com

## 26<sup>TH</sup> ANNUAL GENERAL MEETING

**Day:** Thursday

**Date:** August 01, 2024

**Time:** 03.00 P.M. IST

**Mode:** Through Video Conferencing/Other Audio-Visual Means

# Our Performance for FY 2023-24

## Financial Highlights

₹ **2,121** crores

Total Income

₹ **454** crores

EBITDA  
(before exceptional items)

₹ **271** crores

Net Profit

₹ **15,433** crores

Market Capitalisation as on  
March 31, 2024

## Key Ratios

**19%**

EBITDA Margin

**13%**

Net Profit Margin

**11%**

Return on Capital Employed

## Revenue Break-up

### By Geography

Domestic

**35%**

Increase by ↑ 1%

Export

**65%**

Decrease by ↓ 1%

### By Business Verticals

**41%**

Specialty Chemicals  
↑ by 5%

**46%**

High Performance  
Products ↑ by 3%

**13%**

CDMO ↓ by 8%

# Empowering Progress

At Navin Fluorine, our dedication to empowering sustainable progress through our 3Ps – Product, Platform and Partnerships — is ingrained in every facet of our organisation.

**As a globally trusted provider of diverse fluorochemical solutions, we continue to evolve, exemplifying visibility and reliability.**



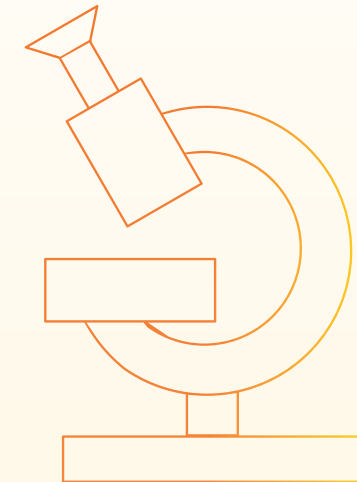
Integrating our strategic priorities, we uphold industry-best health, safety, environmental responsibility and compliance practices.

Committed to operational excellence, we ensure safe, compliant, reliable and efficient operations.

Through disciplined project management and focussed capital investments within a tight financial framework, we strive to maintain safety, compliance and operational integrity while driving capacity-led growth to meet the demands of an ever-changing landscape.

Progressing in our existing verticals and diversifying into new product lines, we drive growth through innovation, new offerings and a diverse customer base.

**Empowering sustainable progress for all stakeholders, we pave the way for long-term growth and development, enriching every journey with lasting value.**



Forging strategic partnerships and long-term relationships with our customers and partners, we propel sustainable growth and deeper market penetration.

We maintain a robust financial framework while prioritising the empowerment of a skilled and engaged workforce.

Company Overview

# Navin Fluorine at a Glance

Navin Fluorine International Limited, established in 1967, is one of the largest and most respected manufacturer of specialty fluorochemicals in India. As part of the Padmanabh Mafatlal Group – a venerable Indian industrial house – Navin Fluorine operates one of India’s largest integrated fluorochemical complex, emerging as a preferred source and a partner of choice for diverse fluorochemicals globally.

With innovation, excellence and quality at our core, we uphold a successful track record of disciplined execution.

Emphasising sustainability and environmental stewardship across our operations, we prioritise culture, controls and competence for driving operational excellence.

Our expertise lies in fluorochemicals, leveraging our modern manufacturing facilities and robust in-house R&D capabilities to create high-quality products. Our comprehensive portfolio encompasses an assorted range of fluorine-based intermediates, specialty chemicals, inorganic

chemicals and contract research services, tailored to meet diverse customer needs.

Over the years, we have expanded our global presence and diversified revenue streams through strategic partnerships and collaborations. Additionally, we maintain a robust distribution network to extend our customer and market reach.

With prudent investments in capacities, product platforms and multi-year partnerships, we are poised for an exciting growth phase, driving sustainable growth and value for our stakeholders.

## 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, compliant and environment-friendly
- To continuously enhance stakeholder value by optimum utilisation of resources

## OUR ETHOS

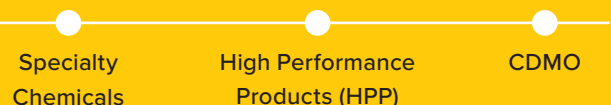
Navin Fluorine has an enduring legacy of conducting business with the highest standards of ethics, which includes:

- We are an environmentally friendly producer of chemicals and take utmost care to ensure that our manufacture, transport and storage of hazardous chemicals are conducted with the highest standards of safety
- We follow non-discriminatory practices in our human resources and are a merit led organisation that honours individual contribution even as it celebrates teamwork
- We hold excellence as our minimum benchmark and promote learning to continually improve

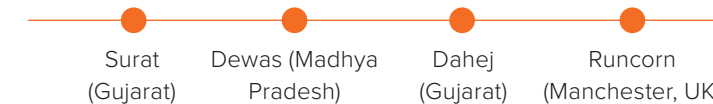
## OUR VISION

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

## BUSINESS VERTICALS



## STATE-OF-THE-ART MANUFACTURING UNITS



## WHAT SETS US APART

50+ years of expertise in handling complex fluorine chemistries	One of the first Indian companies to enter the refrigerant business in 1967
Committed to working as both - a Platform Company and a Partnership Company	First and only producer of hydrofluoroolefins (HFO) in India
One of the most respected global players in specialty fluorochemicals	One of the largest Integrated specialty fluorochemical companies in India
One of the largest producers of inorganic fluorides in India anhydrous hydrofluoric acid (AHF) and diluted hydrofluoric acid (HF)	Our backward integration to AHF serves as a moat, making us a trusted partner for global downstream users
One of the largest BF3 manufacturers globally	Leading provider of advanced CDMO services - fluorination segment
Established India's only high pressure fluorination plant with cGMP compliance, for our CDMO Business	World-class manufacturing plants strategically located closer to major ports
Strategic partnership with global innovators, help gain access to the latest technology and innovations	
Expanding from fluorination chemistries, our 3 business verticals establish us as one of the few companies with the experience and expertise to seamlessly scale up from research to pilot and manufacturing	



**KEY STRENGTHS**

**Strong Parentage**

There are a few companies in history whose narratives resonate as powerfully as that of Navin Fluorine, the flagship Company of the Padmanabh Mafatlal Group. Established in 1967 as the chemicals division of Mafatlal Industries Limited, Navin Fluorine's journey is not just a chronicle of milestones but also a testament to its enduring values and principles. The rich legacy of Navin Fluorine is a journey of innovation, resilience and undeterred commitment to empowering sustainable progress. Navin Fluorine is spearheaded by Mr. Vishad P. Mafatlal (Chairman), Mr. Nitin G. Kulkarni (Managing Director) and seasoned professionals. Our growth has been bolstered by the strong support of our promoters, who bring significant expertise and experience to our operations. Their continued support has played a pivotal role in empowering our growth and success in the industry.

**Robust Positioning**

Navin Fluorine has solidified its position as a niche fluorination Company on a global platform, enhancing its reputation and recognition. The Group maintains a formidable presence across the three business verticals backed by strategic investments in R&D, assets and cutting-edge technologies.

**Reputed Brand** *Mafron®*

The Group's 'Mafron' brand is highly regarded by refrigerant gas OEMs and aftermarket customers. Our brand is synonymous with integrity, ESG standards, and a sustainable commitment to enhancing stakeholder value.

**Diverse Products**

The Group is a leader in fluorination with over half a century of expertise in handling complex fluorine chemistries. We are also recognised as a reliable provider of Specialty Chemicals, Refrigerants, Inorganic Chemicals and Contract Research, Development and Manufacturing Services, supported by a growing base of loyal customers.

**Marquee Clientele**

Navin Fluorine caters to the expanding requirements of prominent global clients. Our diverse clientele include top-tier global Pharma and Agro innovators, leading players in petrochemicals, stainless steel manufacturing, air conditioning OEMs, specialty chemical companies and other downstream fluorochemical users, including Fortune 500 firms.

**Trusted Partnerships**

We have fostered long-term, trusted partnerships with both top-tier customers and suppliers to drive sustainable growth and deliver value to all our stakeholders.

**Robust Infrastructure**

Headquartered in Mumbai, Navin Fluorine operates manufacturing units in Surat (Gujarat) and Dewas (Madhya Pradesh), along with one unit of Navin Fluorine Advanced Sciences Limited, wholly-owned subsidiary, in Dahej (Gujarat). These modern facilities, strategically located near ports, ensure efficient import of raw materials and export of finished products while upholding the highest quality standards for product consistency and reliability. Additionally, our international presence is bolstered by a manufacturing unit in Manchester, UK.

Our proprietary R&D centre, Navin Research Innovation Centre (NRIC) in Surat, collaborates with customers to develop new products, processes, and technologies cost-effectively and sustainably, ensuring competitiveness.

**Key Certifications**

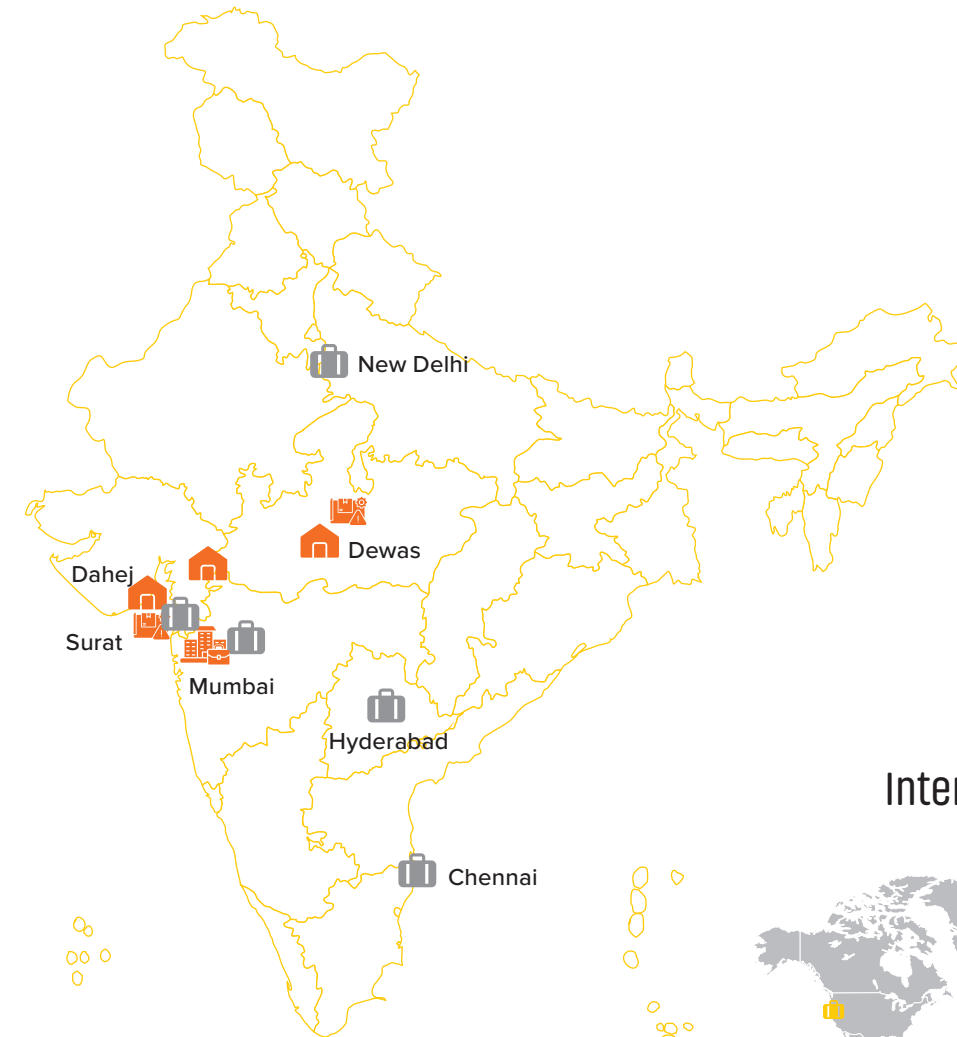
Maintaining high standards in quality, health, safety and environmental protection has always been a top priority at Navin Fluorine. Our manufacturing facilities in Surat, Dewas and Dahej are accredited with ISO 9001 - quality management system, ISO 14001 - environmental management system and OHSAS 45001 - safety management system. Additionally, we are a registered user of the recognised Responsible Care® logo.

**Widespread Reach**

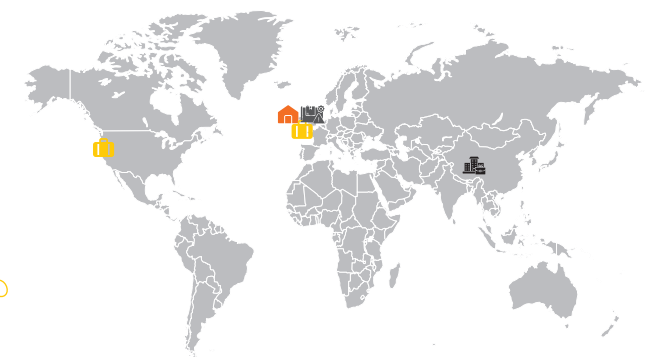
As a pure play fluorination Company, we manufacture products involving complex chemistries for customers both domestically and internationally.

Maintaining a strong global presence, over significant portion of our products are exported to regions including North America, Europe, the Middle East, and Asia Pacific.

**Geographic Footprint**



**International Footprint**



**01** Registered Office

**03** Factories

**02** R&D

**05** Sales Office

Manufacturing and Sales, Sales, Liaison Office, R&D

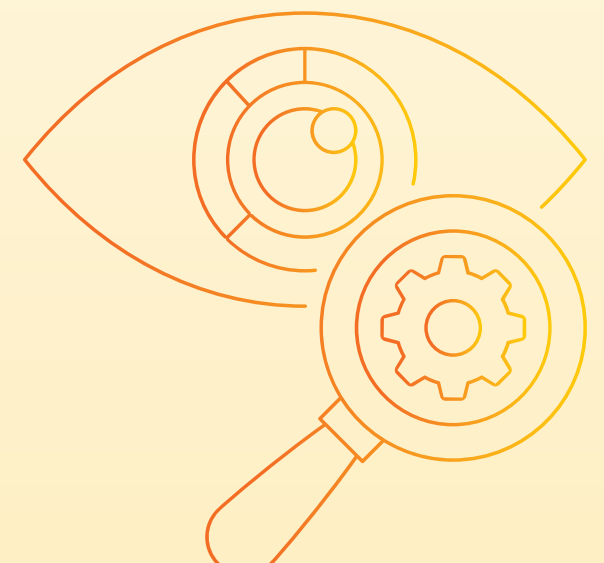
Map not to scale. For illustrative purposes only.

\*Includes Factory of Navin Fluorine Advanced Sciences Limited at Dahej, Gujarat.

Our Journey

# Key Milestones Achieved

A glimpse into our journey calibrated with strategic milestones, each serving as a testament to our growth, resilience and commitment to innovation and excellence.





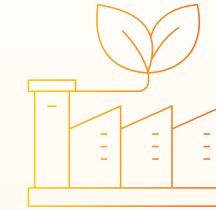
Business Model

# Integrated Pathways for Driving Growth

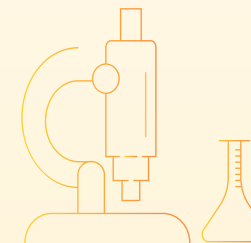
With a synergised business model, centered on the 3Ps (Product, Platform and Partnerships), we demonstrate agility and resilience in navigating evolving market dynamics. This approach has fuelled our sustained success in a competitive landscape.

**3P FOCUS**

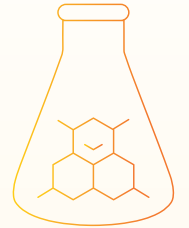
Delivering growth across business verticals with prudent investments.



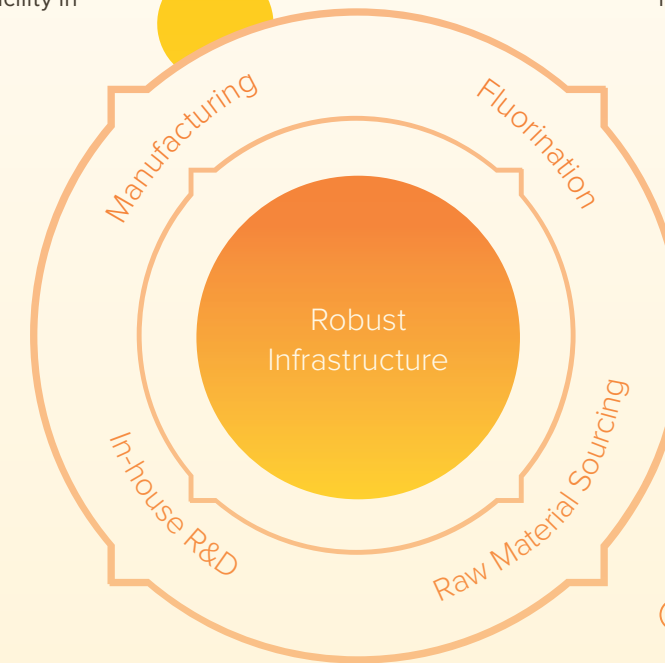
- 3 Modern Manufacturing Facilities
- Chemical Complex at Surat housing Refrigerant, Inorganic & Specialty Chemicals Plants
- cGMP Compliant CDMO facility in Dewas
- New Greenfield site commissioned in Dahej



- 3 state-of-the-art Research Centres located at Bhestan, Surat (Gujarat), Dewas (Madhya Pradesh) and Manchester Organics Limited (UK) to support the R&D activities across businesses
- Supports product expansion and process efficiency across business units



- Pioneered the manufacture of Refrigerant Gases in India
- Over 50 years of experience in handling Fluorine
- Extensive expertise in specialty fluorine and complex chemistries



- Diversified sourcing of Fluorspar outside of China

Strategic Focus

# Accelerating Progress with Core Strategies

Focussing on diversification, we expand our capacities with significant investments and forge long-term customer relationships, to drive innovation, growth and a competitive edge.



- 1 Capacity-led growth with significant capex investment
- 2 Presence into high demand specialised products
- 3 Strong and deep-lasting partnerships with our customers
- 4 Visible and dependable fluorochemical Company
- 5 Focus on innovation and growth by diversifying with the HPP vertical
- 6 Growth with focussed utilisation of Multi Purpose Plant (MPP) for developing new products
- 7 Growth across verticals in a disciplined fashion, increasing share of CDMO revenue to 20%

# Chairman's Communique



**AT THE CORE OF NAVIN FLUORINE'S ETHOS LIES OUR RELENTLESS DRIVE TO EMPOWER PROGRESS THROUGH INNOVATION, EXCELLENCE AND QUALITY, RESONATING IN EVERY FACET OF OUR OPERATIONS. OUR PRIORITIES ARE SIMPLE - RELENTLESS PURSUIT OF MANUFACTURING EXCELLENCE COMPLEMENTED BY DISCIPLINED EXECUTION OF PROJECTS WITHIN A TIGHT FINANCIAL FRAMEWORK.**

**Vishad P. Mafatlal**

Chairman

This commitment traverses across strategic fronts, business avenues, product innovations, platforms and partnerships for creating opportunities for growth and expansion.

As a visible and dependable player, we continue to streamline investments in people, processes and practices.

**ECONOMIC LANDSCAPE**

In FY 2023-24, the global economy displayed extraordinary resilience despite challenges, with steady growth and inflation returning to target ranges. India emerged as the fastest-growing major economy, fuelled by robust domestic demand, increased investments and proactive government initiatives. Amidst volatility, India's status as a preferred manufacturing hub, especially in specialty chemicals is seeing momentum. With rising global demand for fluorochemicals across sectors like automotive, electronics and construction, India's enhanced chemical manufacturing industry is gearing up to meet these needs.

## Dear Shareowners,

At the core of Navin Fluorine's ethos lies our relentless drive to empower progress through innovation, excellence and quality, resonating in every facet of our operations. Our priorities are simple - relentless pursuit of manufacturing excellence complemented by disciplined execution of projects within a tight financial framework.

With a strong lineage and a successful track record of disciplined execution from the outset, we have evolved as a trusted partner, a reliable platform and a pioneer in delivering innovative solutions involving complex chemistries across diverse applications on a global scale.

For us, empowering progress is not only about laying a strong foundation for the present but also for the future, seeking insights and ideas that propel us forward.

At Navin Fluorine, we are well-positioned to seize these growing opportunities and navigate the challenges ahead. In our pursuit of excellence, we remain steadfast in upholding the highest safety and compliance standards, fulfilling our commitment to all our stakeholders and driving long-term sustainable, profitable growth.

**PERFORMANCE REVIEW**

In FY 2023-24, our Consolidated Revenues and PAT stood at ₹ 2,065 crores and ₹ 271 crores respectively.

Our Specialty Chemicals business exhibited strong sales of ₹ 848 crores, marking 14% YoY growth, driven by increased volumes and new product launches. We reported sales of ₹ 955 crores in our HPP segment, indicating an 8% YoY growth, while the CDMO business generated ₹ 262 crores, a decline of 42% YoY.



**Dream, dream, dream. Dreams transform into thoughts and thoughts result in action.**

**Dr. A.P.J. Abdul Kalam**

High margin CDMO business was impacted due to delayed approval of clinical phase molecules and a volatile business nature. Despite weak demand, pricing pressures and destocking by global agrochemical players, our Specialty Chemicals business posted a commendable performance reflecting strong resilience and stability. Our HPP business growth was led by the commencement of our new R-32 plant. Growth in HPP business was subdued primarily due to lower sales driven by a weak summer and pricing pressures and extended stabilisation of the Orchid plant.

### STRATEGIC FOCUS

Navin Fluorine's journey is not solely about creating shareholder value, it is about crafting value that extends beyond boardrooms and balance sheets. We believe in enhancing prosperity by creating lasting value for the Group and all our stakeholders. Our stable stakeholder engagement and a culture of trust and inclusion underscores the Company's commitment to mutual progress and sustainable development, contributing to nation-building endeavours.

In FY 2023-24, we focussed on driving operational excellence, ensuring financial robustness, disciplined execution, diversifying revenue streams, strengthening partnerships, and building scalable platforms. These efforts help lay a solid foundation for our long-term sustainable growth and profitability.

The establishment of the Navin Molecular brand symbolises our endeavour to consolidate our global CDMO operations, extending our expertise beyond fluorination. We have prioritised the launch of new products and partnerships, to enhance the share of commercial and late-phase molecules in our portfolio, address business volatility and streamline operations. Our sustained efforts have resulted in significant milestones, including multiple MSAs signed for different commercial products with a leading European CDMO. This has enhanced our capabilities and resulted in a supply chain partnership for six new commercial products and a significant rise in revenue mix from the commercial portfolio in the coming years. The growing demand for FDA-approved molecules containing fluorinated compounds complemented by our capability to handle complex chemistries is anticipated to drive segment growth.

In the Specialty Chemicals segment, our strategy to transition from pharma to agro intermediates remains intact and strategically addresses commodity market challenges while maintaining our focus on Crop Science. Notably, the introduction of new molecules across performance material, along with the traction gained by products

launched over the past 2-3 years, underscores our commitment to deepening our value proposition and building enduring partnerships with key players in the crop science and performance material businesses.

Anticipating rising demand for refrigerant gases, our HPP segment has diligently pursued multiyear partnerships and also expanded our R32 capacity to secure long-term growth opportunities. Our existing partnerships with key global players have demonstrated steady growth, while strategic Capex investments continue to unveil new avenues for growth and innovation.

Our commitment to empower progress on all fronts has prompted significant investments across our Product, Platform and Partnerships, fortified by strategic Capex initiatives. Through our investment in the new HF plant at Dahej (NFASL), set to be operational in 2025, we aim to cater to increasing demands from emerging sector, including renewables and EV markets. Furthermore, Phase 1 of the cGMP4 capex initiative, facilitating the MSA with European CDMO customer, is expected to commence operations by the end of CY 2025. Additionally, approved capex for expanding R32 capacity by 4,500 MT, slated for commissioning by February 2025, is expected to enhance growth in our HPP segment.

We are pleased to announce the commissioning of a new R&D and Pilot Centre, alongside a state-of-the-art Process Safety Lab to facilitate testing of new molecules before they are scaled to commercial manufacturing.

Additionally, we have strengthened our team capabilities across the business with key appointments and focussed employee initiatives.

We pursue financial empowerment through sustained operational profitability underpinned by robust working capital management, strong operational cash flow delivery and a healthy balance sheet.

As we navigate profitable growth, we ensure continual returns to our shareholders through dividends and sustainable value creation.

### OUTLOOK

Entering an exciting phase, we will continue to uphold our dual identity as both a Platform Company and a Partnership Company. We remain committed to disciplined growth underpinned by a strong financial framework, solidifying our presence as a visible and dependable partner. Substantial investments in capacity, products, platforms and multiyear partnerships will help us capitalise on growing opportunities while addressing challenges, heralding a new era of sustainable growth and expansion.

As we expand within our existing verticals while diversifying into new revenue streams maintaining robust infrastructure and an engaged workforce remains paramount in the highly competitive landscape. Enabling mutual progress, we aim to nurture enduring partnerships with our customers and partners while delivering long-term value for all our stakeholders.

In honour of our founder, Late Shri Arvind N. Mafatlal's centenary birth year, the Board approved a one-time special dividend of ₹ 3 per equity share, along with an interim dividend of ₹ 5 per equity share. This marks a tribute to the visionary leader whose values of trust and inclusion remain integral to Navin Fluorine's ethos.

As we forge ahead with optimism, we extend heartfelt gratitude to our Board, shareholders and all stakeholders for their unwavering trust and support.

Commemorating our founder's legacy, we will continue to empower progress to shape a more sustainable future defined by accelerated growth, development and prosperity.

Warm Regards,

**Vishad P. Mafatlal**  
Chairman



**Entering an exciting phase, we will continue to uphold our dual identity as both a Platform Company and a Partnership Company.**

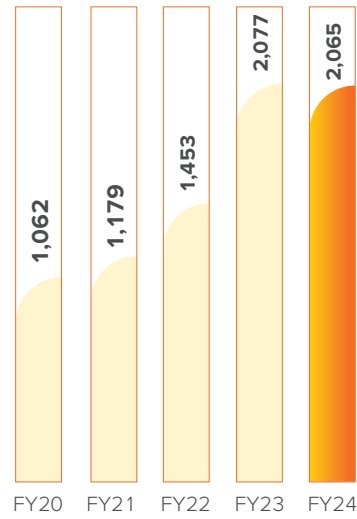
Financial Performance

# Fostering Sustainable Growth

In FY 2023-24, we leveraged our core capabilities, robust infrastructure, diverse portfolio, excellent execution competencies and strategic partnerships to drive sustainable growth.

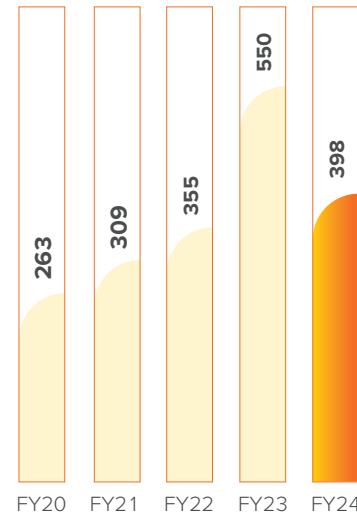
### Group Revenues

(₹ in crores)



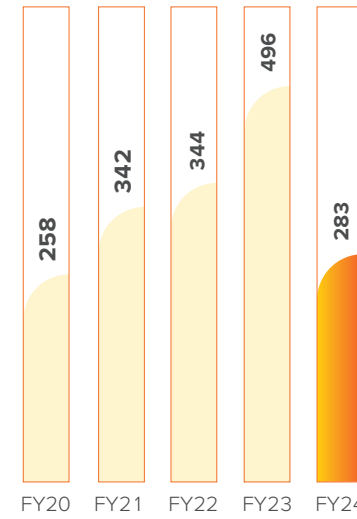
### Group Operating EBITDA

(₹ in crores)



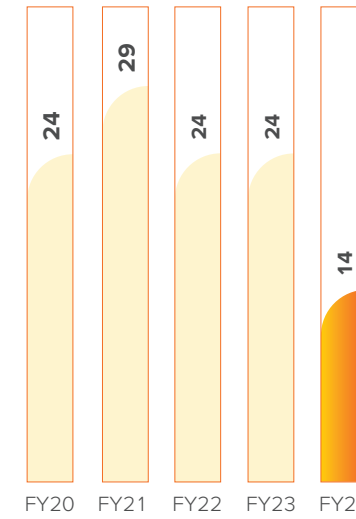
### Group PBT before

Exceptional Items (₹ in crores)



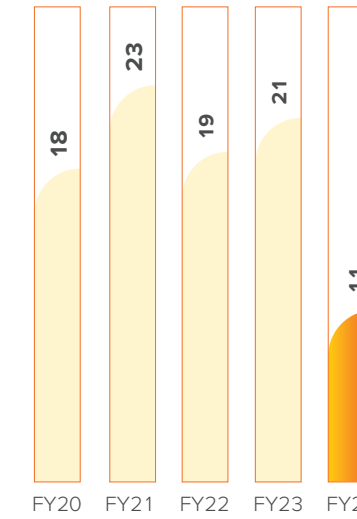
### Group PBT Margin

(%)



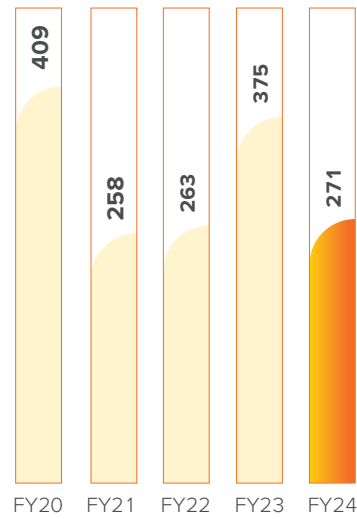
### Group ROCE

(%)



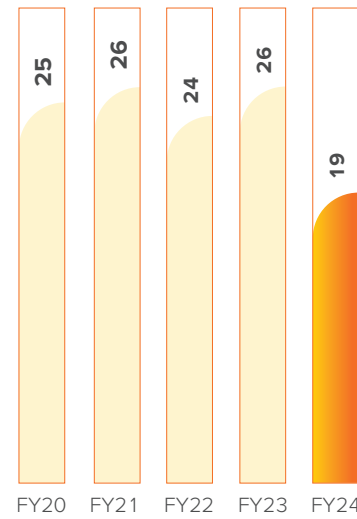
### Group PAT

(₹ in crores)



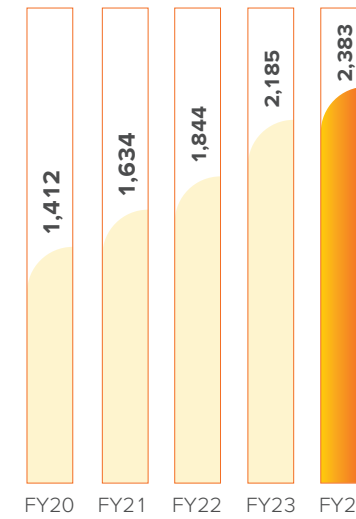
### Group Operating EBITDA

Margin (%)



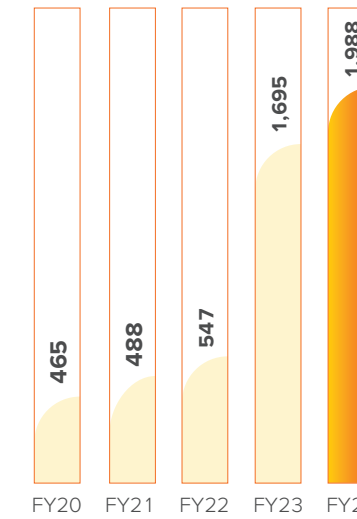
### Group Net Worth

(₹ in crores)



### Group Gross Property, Plant and Equipment

(₹ in crores)



Financial Edge

# Growth Drivers for Financial Empowerment

Through targeted initiatives, we have strengthened the financial competitiveness of our business, aiming for long-term sustainable growth, stability and visibility.

**PURSUING PROFITABLE GROWTH**

Our business model prioritises profitable growth, validating our competitiveness and alignment of our projects with objectives. As such, we are dedicated to achieving both revenue and profitable growth, demonstrated by a higher percentage increase in our profits over revenue growth. This strategic focus emphasises that our revenue growth is sustainable and not achieved through short-term discounting, ensuring long-term profitability.

**REVENUE VISIBILITY**

The Group's commitment to cultivating relationships and fostering trust and customer loyalty is evidenced by increasing business from existing and new customers. We have undertaken significant investments in expanding our manufacturing capacities, with new expansion projects benefiting from assured offtake commitments from key customers.

**ROBUST MARGINS**

Specialising in complex fluorination chemistries, we persist in retaining our competitiveness. We reported a steady Group Operating EBITDA margin of 19% during FY 2023-24 in what was otherwise a challenging year across the industry. Leveraging our strengths, strategic focus areas, competitive edge and evaluating demand/supply and order book visibility, we aim to improve our EBITDA margin in FY 2024-25.

**STRONG LIQUIDITY**

We remain steadfast in our focus on maintaining robust cash flows to service interest, repay debts and enhance reserves. During FY 2023-24, a debt of ₹ 350 crores was arranged by our subsidiary (NFASL) to fund the new HF plant at Dahej. The Group's gearing ratio is expected to be within our internal governance framework even after this sanction.

**CORE BUSINESS LEVERS**

Despite headwinds, we are strategically positioned to seize global trends like China plus one strategy. The rising demand for refrigerant gases and agri-products, along with long-term partnerships, will drive growth in our HPP business. The surge in FDA-approved molecules containing fluorinated compounds presents significant opportunities for the CDMO segment. Transitioning from pharma to agro intermediates within our Specialty business has addressed commodity market challenges. Backed by robust manufacturing capabilities, proprietary R&D, process technology and workforce, we remain committed to strategic capex investments.

**GLOBAL EXPANSION**

The Group's strategic position as a global Company with cutting-edge manufacturing capabilities in India has helped increase its global revenue profile. In FY 2023-24, 65% of revenues were generated through international business. The growing opportunities in the CDMO and Specialty Chemicals businesses globally, along with multiyear partnerships in the HPP segment, have increased future export revenue potential.

**PRUDENT PROJECT MANAGEMENT**

Maintaining a successful track record of disciplined execution of our projects, we continue to invest to secure profitable growth. During FY 2022-23, the Group approved a ₹ 450 crores investment for establishing a new HF plant at Dahej (NFASL), with a capacity of 40,000 tonnes per annum. The plant is expected to become operational during early 2025. An additional capex of ₹ 84 crores has been approved for capacity expansion of 4,500 MT in R32, the project is slated for commissioning by February 2025. Further, a cGMP4 capex amounting to ₹ 288 crores has been allocated, with a Phase 1 outlay of ₹ 160 crores aimed at supporting the MSA with European CDMO customer. Phase 1 is expected to be commissioned by the end of CY 2025.

**REVENUE DRIVERS**

We continue to diversify our revenue streams to increase our revenues, mitigate risks and establish scalable platforms. Our Specialty Chemicals and HPP business has witnessed a growth of 14% and 8% respectively in FY 2023-24, contributing to 87% of topline. Our CDMO business has shown 42% degrowth during the same period. We intend to capitalise on the growing opportunities in these segments to expand our potential revenues and grow sustainably.

**ROBUST FINANCIAL HEALTH**

We prioritise maintaining a strong balance sheet and efficient working capital management to fuel our growth initiatives while upholding business quality. Our Net Debt/Equity ratio of 0.37 in FY 2023-24 reflects the strength of our balance sheet and is within the financial framework guidance of ~ 0.5x. Moreover, harnessing our strong credit cycle mechanism, customer relationships and supply chain, we have secured a stable operating working capital cycle at around 104 days of turnover in FY 2023-24.

Integrated Value

# Creating Lasting Value for Our Stakeholders

We operate in an ever-evolving landscape and fully understand and acknowledge the increasing importance of integrated value creation for all stakeholders. Our stakeholders extend beyond shareholders to include every individual or entity impacted by the Group's operations, brand and products.

**OVERVIEW**

In recent years, entities have been appraised based on their ability to report 'Stakeholder' value in an integrated manner. The integrated value creation approach combines financial and non-financial aspects to demonstrate how value is generated across diverse stakeholders based on priority, process and outcome. These stakeholders encompass not only shareholders but also employees, customers, suppliers, business partners, local communities, governments, legislators, regulators and policymakers.

By integrating both 'hard' and 'soft' initiatives, this framework provides a comprehensive understanding of the organisation's efforts to create, enhance, and sustain value in a manner that is both transparent and sustainable. This helps foster trust, strengthen relationships, and drive sustainable growth and prosperity for all stakeholders.

**Our 6 Capitals**



Human Capital



Financial Capital



Intellectual Capital



Manufacturing Capital









Social & Relationship Capital



Natural Capital

**INTEGRATED VALUE CREATION APPROACH**

Our 6 Capitals	Priority	Process	Outcome
<b>Human Capital</b> 	Nurturing a specialised talent pool to build an agile organisation	Increasing investments in training and development to empower employees to unleash their full potential	Focussed on retention of talent
<b>Financial Capital</b> 	Strong financial framework with a healthy Balance Sheet, featuring robust cash flows, steady gearing and operating margins	Improving capital efficiency for enhancing Company's competitiveness across market cycles	Paid an interim dividend of ₹ 5 per equity share plus a special dividend of ₹ 3/- per equity share in FY 2023-24 to commemorate the centenary birth anniversary of the Company's Founder Late Shri Arvind N. Mafatlal; recommended a final dividend of ₹ 7 per equity share for FY 2023-24
<b>Intellectual Capital</b> 	Growing emphasis on R&D, supported by investments in equipment, infrastructure, projects and personnel	Robust product line-up with scalable growth potential	Ongoing investments in Information Technology to ensure continuous improvement across operations
<b>Manufacturing Capital</b> 	Ongoing investments in technology, digitisation, processes and automation in order to drive innovation and optimise efficiency	Continuing result-oriented projects with a backward integration strategy for manufacturing products in a sustainable manner	Establishing a culture centred on outperformance through industry best practices, training, empowerment and benchmarking
<b>Social and Relationship Capital</b> 	Enhanced more than 1.25 lakh lives, directly and indirectly, through focussed community development initiatives	Structured Board approved CSR policy for CSR initiatives	CSR spend of ₹ 7.99 crores in FY 2023-24
<b>Natural Capital</b> 	Adopted a defined policy to reduce Company's carbon footprint	Reduction in water consumption; undertaken recycling of process water and process waste	Enhanced statutory compliance and built a culture of transparent disclosures

Business Verticals Review

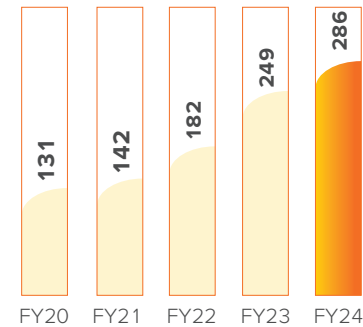
# Empowering Readiness For Rising Opportunities

With trust and innovation at our core, we continue to differentiate and strengthen our business verticals by leveraging our strengths and fulfilling our commitments, laying a strong foundation for scalable, profitable and sustainable growth.

DELIVERING CONSISTENT STAKEHOLDER VALUE

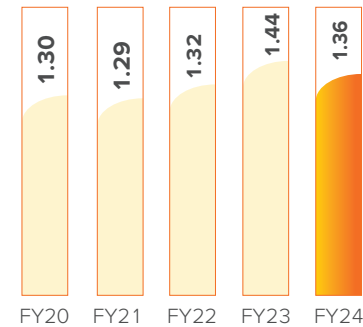
Employee Value

(₹ in crores)



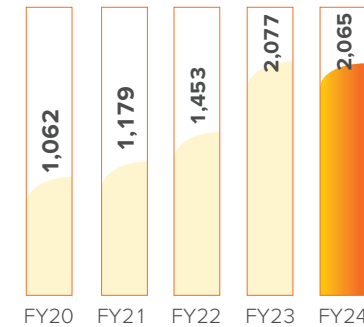
People Productivity – Revenue per person

(₹ in crores)



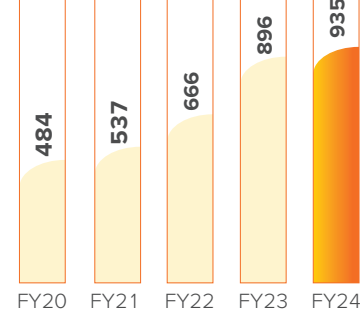
Customer Value (Revenue)

(₹ in crores)



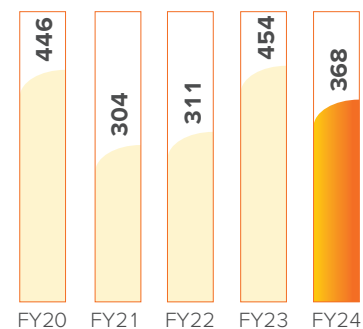
Vendor Value (Cost of Material Consumed)

(₹ in crores)



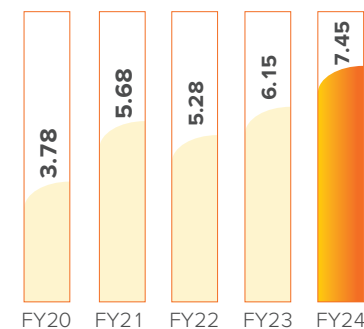
Shareholder Value

(₹ in crores)



Community Spend\*

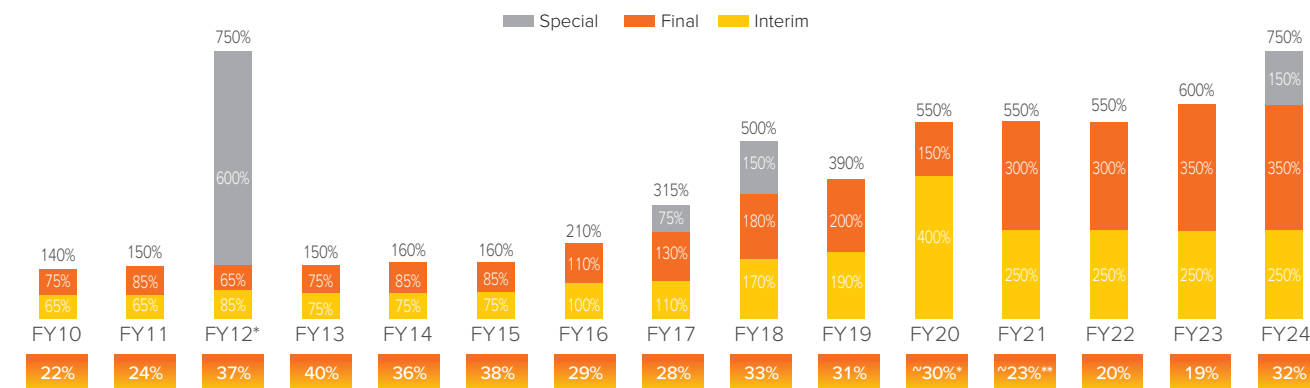
(₹ in crores)



\*The graph reflects CSR spend on standalone basis. On consolidated basis, the CSR spend for FY 2023-24 is ₹ 7.99 crores.

CONSISTENTLY PAYING DIVIDENDS

Dividend as % of face value



\* Adjusted for excess tax provisions for earlier years

\*\*Adjusted for exceptional gain on sale of shares in Convergence Chemicals Pvt. Ltd. and gain on account of giving up lease rights in land situated at Dahej to NFASL

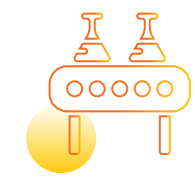
BUSINESS VERTICALS



Specialty Chemicals



High Performance Products (HPP)



Contract Development and Manufacturing Organisation (CDMO)

SPECIALTY CHEMICALS BUSINESS

Our vast expertise in fluorine chemistry, developed over decades, leveraged with cutting-edge infrastructure and team competency, enables us to produce a diverse range of high-value specialty fluoro intermediates in large quantities to meet evolving customer needs, safely and responsibly.

Overview

Navin Fluorine's partnerships with Indian and global life science, crop science and performance materials companies reflect our steadfast commitment to efficiently meet the diverse needs of existing and potential clients. Despite volatile market conditions, the Specialty Chemicals

business segment maintained strong performance, contributing 41% to total revenue during FY 2023-24.

The dominance of major players in the crop science sector prompts the Group to continue focussing on this core segment. We have strategically invested in partnerships with innovators and offer end-to-end solutions, including development and manufacturing with a specific focus on CDMO-related initiatives.

We are also enhancing our CDMO partnerships within Performance Material applications by targeting product development, creating niche capabilities and positioning ourselves

as a reliable partner to downstream businesses.

Anticipating robust growth in the Specialty chemicals market, the Group strives to become a preferred partner for innovators in the segment, prioritising research and offering seamless execution. Recent achievements include successful plant startups, investments in R&D and a focus on safety and quality measures, alongside a commitment to sustainability initiatives and prudent investments.

### Key Strengths

- The Group excels in executing complex multi-step reactions with precision
- Reliable partner to global downstream users
- Demonstrating adeptness, the Group swiftly absorbs research findings and replicates them competently at a commercial scale
- Quick response capabilities enable the supply and service of small and bulk quantities on short notice
- Diverse chemistry competencies are executed in an environmentally responsible manner
- Strong order flow continues to strengthen long-term growth visibility
- Robust technology and design teams enable the seamless transition of lab-scale orders to commercial scale
- Timely investments in pilot plants and research facilities enable the development of complex technologies
- Flexible manufacturing capabilities facilitate adaptability to varying demands
- Strengthened safety processes enhance overall dependability in managing hazardous processes
- Fortifying project management capabilities to ensure safe and efficient plant commissioning despite challenges
- Robust R&D interface fosters collaboration with customers for new product and technology development.
- Accredited with ISO 9001 for quality, ISO 14001 for environmental management, and ISO 45001 for occupational health and safety, the Group operates under an integrated management system



### Key Drivers

- Focus on cultivating a robust product pipeline and product funnel ensuring ample product allocation for our plants
- Ongoing exploration of new molecules and opportunities for future expansion
- Significant contribution to revenue from ramp-up of Surat plants, increase in capacity utilisation of the MPP at Dahej and commissioning of the dedicated Dahej agro project in FY 2024-25
- Focus on double-digit growth with minimum off-take commitments for our dedicated plant investments
- Prudent investment strategy with a solid pipeline of products for multi-purpose plants
- Strategic partnerships in the crop science and performance material segments
- Focus on capitalising demand for fluorine in sunrise segments such as electronic and semiconductor chemical segments within the performance material vertical
- Strategic extension towards CDMO initiatives, partnering with customers from early development stages to drive growth
- Robust technical expertise, excellent execution capability and the ability to provide alternative solutions to innovators for future expansion in India

### Key Developments FY 2023-24

- Specialty Chemicals business generated robust sales amounting to ₹ 848 crores, indicating a 14% year-on-year growth
- The growth was primarily from new products launched and a volume based growth, despite sales being impacted due to the deferral of campaigns and channel inventory destocking during FY 2023-24
- Products launched during the last two to three years started picking up volume in FY 2023-24
- Growth across crop science and new product launches helped offset setbacks due to a drop in demand from domestic companies in the generic pharma space, such as therapeutic segments
- Progress on the agro specialty capex in Dahej is on track and expected to be commissioned in 1H FY 2024-25. We have already secured POs covering the dedicated portion of the capacity for CY 2024
- This fiscal year marks the first full year of our new investment at the Dahej site, where both plants were vertical startups
- Seamlessly mapped products into our multi-purpose plant at Dahej, ramping up utilisation, demonstrating the prowess of our engineering, R&D, and pilot teams
- Capex of ₹ 30 crores allocated towards the construction of a completely new capability in Surat - development is on track and is expected to generate revenue from FY 2024-25
- A new R&D and Pilot Centre has been commissioned, along with a new Process Safety Lab during the fiscal year to test new molecules ahead of commercial manufacturing
- In FY 2023-24, with the revamping of R&D and pilot capabilities, our business development offerings now include CDMO initiatives, partnering

with customers from the early development stages

- This fiscal year, we have successfully completed 2 CDMO projects, covering lab and pilot scale endeavours
- Established a dedicated EHS team to ensure safety protocols for manufacturing as well as project related activities

- Appointment of senior leadership to handle key customers and their specific requirements





**Performance Highlights : FY 2023-24**

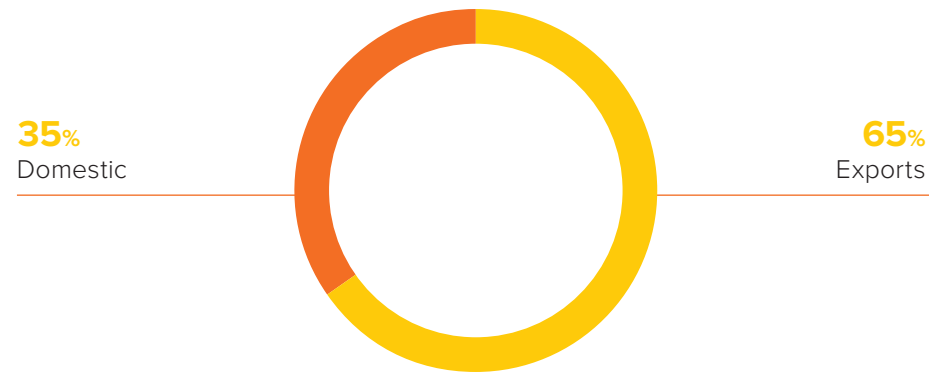
₹ **848 crores**  
Revenues

**41%**  
of Total revenues

**14%**  
Revenues growth

**Revenue Generated**

**By Geography FY 2023-24**



**WAY AHEAD**

We continue to focus on deepening our relationships and offerings in crop science applications while incubating new relationships and applications in the performance materials business.

In our Crop Science segment, we intend to expand partnerships from the early development stage with the top three innovators in crop science, including through collaborative CDMO related initiatives and develop a robust

pipeline of innovative products through these partnerships. POs have already been secured, covering the dedicated portion of the agro specialty plant capacity at Dahej for CY 2024, expecting significant revenue contribution from agro specialty division in the coming fiscal.

As regards our Performance Materials business, we aim to prioritise innovators and incubate niche

opportunities, aligned to our vision for sustained growth and market leadership. Additionally, we are exploring partnership opportunities in electronic chemicals and chemicals for semiconductors to capitalise on the burgeoning demand for fluorine in this segment.

**HPP BUSINESS**

We capitalise on our five decades of expertise in fluorine chemistry and refrigerant science, building a robust portfolio and enhanced capacities to deliver a range of safe and superior high-performance refrigerants for diverse refrigeration, form blowing and air conditioning applications.

**Overview**

Pioneering the Indian refrigerant landscape, we established our refrigerant business in India in 1967, commissioning a manufacturing plant in Surat, Gujarat. On the domestic front, we have a strong presence across diverse industries while we export mainly to the Middle East, US and East & North Africa regions.

The Company's refrigerants, sold under the 'Mafron' brand, have garnered widespread recognition and trust,

synonymous with quality. Over the years, 'Mafron' has become a generic name for refrigerants, in India and overseas. The brand has emerged as the preferred choice for leading OEMs, service technicians, and equipment owners in efficiently meeting their air-conditioning needs for both mobile and stationary applications.

The Group, with significant investments over time, has expanded its portfolio and capabilities. Today, the Group is one of the largest manufacturers of anhydrous hydrofluoric acid and diluted hydrofluoric acid in India serving diverse industries including pharma, solar, electronic and steel. Furthermore, the Group is actively engaged in the pharma and agrochemical value chains, while its inorganic chemicals division serves the pharma, crop sciences and other emerging sectors.

**Challenges and Responses**

The business operates across diverse segments with a vast customer base, with sales closely tied to pricing dynamics. Any fluctuation in prices impacts the segment sales. During FY 2023-24, the segment faced challenges stemming from a decline in the selling prices in the export markets and was under pricing pressure domestically. Additionally, a weak summer contributed to lower sales of refrigerant gases. Further, our HFO business was impacted by volume pressure owing to weak US housing sector demand. The pricing pressure in R22 exports has stabilised in Q1 FY 2024-25. Despite encountering challenges, we managed sizeable revenues from the business during FY 2023-24, predominantly bolstered by the introduction of R32.

**Key Strengths**

- In 1967, the Group was the first to introduce refrigerants in India
- Navin Fluorine is the first Company in India to produce R22 gas
- The Group is the first and only producer of Hydrofluoroolefins (HFO) in India, commencing commercial production at the Dahej site in FY 2022-23
- Operates a backward integrated facility at Surat, manufacturing critical intermediates like sulphuric and hydrofluoric acids as precursors to our Mafron brand of refrigerants
- The refrigerant business has gained sufficient traction with the introduction of HFC 32 in FY 2023-24

- The Group is among the largest producers of high priority inorganic fluorides, including ammonium bi-fluoride, potassium fluoride, sodium fluoride, etc. in India, holding significant market shares
- Recognised as a leading hydrofluoric acid supplier in India, trusted by large and premium clients
- The Group's customer-centric approach, enhanced capacities and time-tested ability to deliver products on time and in full have contributed to long-term stakeholder relationships, enhanced trust and revenue visibility

**Key Drivers**

- The Company is a major manufacturer of R22 gases which can potentially go in higher feedstock applications
- The refrigerants segment is expected to witness consistent multi-year growth, driven by increasing demand for air-conditioners worldwide, due to rising temperatures
- Expansion in the R32 gas division is expected to generate incremental revenues for the segment
- Strategic multiyear partnerships in the HPP segment poised to drive growth
- Focus on moving beyond fluorochemicals in the Inorganic Chemicals divisions to capitalise on opportunities in inorganic non-fluorochemicals

**Key Developments FY 2023-24**

- During the fiscal year, our R32 plant was operating at optimal capacity. The Board has approved the additional capacity expansion of 4,500 MT at a capex of ₹ 84 crores, expected to be commissioned by February 2025
- New capex of ₹ 450 crores for setting up a new 40,000 tonnes per annum HF capacity at Dahej (NFASL), is expected to be operational in early CY2025
- Pricing pressure in R22 exports has stabilised in Q1 FY 2024-25

**Performance Highlights: FY 2023-24**

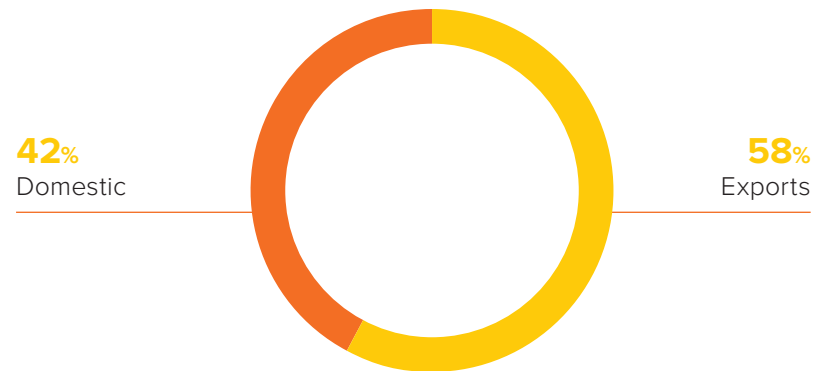
₹ **955** crores  
Revenues

**46%**  
of Total revenues

**8%**  
Revenues growth

**Revenue Generated**

**By Geography FY 2023-24**



**WAY AHEAD**

We aim to evolve beyond HPP as a product play in the long term, transitioning from Hydrochlorofluorocarbons (HCFCs) to Hydrofluorocarbons (HFCs) to Hydrofluoroolefins (HFOs).

**CDMO BUSINESS**

Our CDMO business strives to expedite innovation in early lifecycle stages of API development cycle through integrated contract research, development and manufacturing operations, ensuring safe, compliant, reliable, efficient and timely services.

**Overview**

Our CDMO business, operated under the brand 'Navin Molecular' is a service business serving the pharmaceutical market for clinical and commercial drug development. Our UK-based subsidiary, Manchester Organics Limited (MOL), collaborates closely with Navin Molecular to offer comprehensive research and custom synthesis services across the chemical industry, including pharmaceuticals and electronics.

We remain very excited by the opportunities within the CDMO business and our strategy to increase our footprint of services for late / commercial molecules is starting to show signs of success. The multi-year multi-million dollar MSA with European major is expected to contribute meaningfully to revenues from FY26. India's emergence as a preferred outsourcing for global majors contributes to the significant momentum in the CDMO business

**BRAND 'NAVIN MOLECULAR' LAUNCHED FOR THE CDMO BUSINESS REFLECTING OUR EXPERTISE AND SERVICES BEYOND FLUORINATION**

**Key Strengths**

- The Group is positioned as a comprehensive value-added chemistry solution provider in the CDMO segment
- Invested across a wide spectrum of capabilities, ranging from research to full-scale production, ensuring stable, reliable and sustainable growth
- Demonstrated track record of service delivery and relationships with global majors and bio-techs
- Gaining a competitive edge with our in-house India-based backward integration facility
- Ongoing capex investments to expand capacity instil confidence in customers regarding supply capacity and security
- Strengthening team capabilities and marketing initiatives for handling large-scale projects for esteemed global clients
- Established globally benchmarked safety, quality and compliance standards across our operations

### Business Model

In recent years, the CDMO business has focussed on increasing revenues from its commercial projects and late phase molecules, targeting 50% plus revenue share, ensuring consistent revenue streams. Prioritising complex intermediates, the business continues to undertake strategic capex investments for investing in a range of competencies, including research to plant scale, ensuring sustainable business growth. Additionally, we focus on deepening our relationships and enrolling new customers, aiming to diversify their global supply chains. Furthermore, we strive to strengthen presence and trust by adhering to validated delivery standards and obtaining customer audit approvals.



### STRATEGIC FOCUS AREAS

- 1 Complex intermediates
- 2 Flow chemistry technology
- 3 Late-phase development opportunities
- 4 Increasing commercial molecules
- 5 Forging long-term partnerships
- 6 Delivering to prominent global customers
- 7 New customer enrolments, particularly big pharma companies
- 8 Capacity building with strategic capex investments
- 9 Strengthening team capabilities
- 10 Improving cost efficiencies through sustainable measures
- 11 Capitalising on tailwinds for developing a sustainable and India-based localised supply value chain

### Key Developments FY 2023-24

- In FY 2023-24, we established the 'Navin Molecular' brand, consolidating our global CDMO operations across our UK and India facilities, highlighting our expertise and capabilities beyond fluorination
- Our expanding portfolio comprises over 50% (by revenue) of non-fluorinated molecules including all kinds of complex chemistry
- Several new commercial and late-phase opportunities under development
- Value-added delivery by identifying new routes for existing molecules to reduce costs while meeting customer expectations
- Our focus on exploring new business opportunities coupled with our sustained efforts, resulted in our successful entry into the supply chain of six new commercial products
- We signed multiple MSAs for different commercial products with a leading European CDMO, outlining expected volumes for upcoming years
- During the year, our plants operated at sub-optimal levels due to the campaign nature, an inherent characteristic of the business as also deferred approvals and progression of new molecules. As our focussed business development efforts come into play with an increasing share of new business and a higher share of commercial and late stage opportunities, we expect capacity utilisation to increase and reach optimum levels.
- We incurred capex of ₹ 50 crores in FY 2023-24 majorly to debottleneck the capacity of the cGMP-3, establish dedicated hydrogenation capability and augment the Effluent treatment system
- Enhanced portfolio offering – received approval for the Analytical Method Validation Lab
- Obtained new certifications during the fiscal year:
  - ◆ ICHQ7 Good Manufacturing Practice Guide for Active Pharmaceutical Ingredients for manufacturing of intermediates for drug substances
  - ◆ ISO 50001: 2018 for Energy Management Systems
- The CDMO business prioritised flow chemistry, actively collaborating with innovative pharmaceutical companies to develop flow technology for diverse chemical processes
- We strengthened our business development team capabilities and undertook focussed market initiatives to gain traction in our CDMO business during FY 2023-24
- Additionally, we have restructured our MOL lab to enhance productivity and expedite the speed of customer delivery, particularly for early, discovery and pre-clinical phases
- We improved our environment footprint securing cost efficiencies by increasing recycle solvents and reducing waste generation. Additionally, we increased our share from renewable/solar power with a strong focus on zero liquid discharge

**Performance Highlights: FY 2023-24**

**₹ 262 crores**  
Revenues

**13%**  
of Total revenues

**(42)%**  
Revenues growth

**4**  
Commercial products launched

**47%**  
of Revenues derived from commercial applications

**9**  
Customer audits undertaken

**50-55%**  
of Revenues expected to be derived from commercial applications in FY 2024-25

The Company has a dedicated website for its CDMO business [www.navinmolecular.com](http://www.navinmolecular.com)



**WAY AHEAD**

In FY 2024-25 and the coming years, we will progressively enhance the share of commercial and late-phase molecules in our pipeline. Our recent partnership agreements and robust

relationships with top pharma and biotech customers are also expected to bolster the segment growth. Furthermore, the completion of our cGMP4 facility by CY25 is expected

to significantly augment capacity for delivering commercial multi-metric tonne molecules, fortifying our market position and efficiently meeting growing demands.

**Operational Excellence**

**Enhancing Production Capabilities**

Operating in the niche domain of fluorination, we maintain our steadfast focus on establishing cutting-edge, environmentally compliant processes and equipment. This ensures high process consistency, superior product quality, optimal capacity utilisation, operational safety and attractive yields, driving growth and a competitive edge.

**OVERVIEW**

Since its inception, Navin Fluorine has been at the forefront of investing in cutting-edge continuous and batch manufacturing technologies to ensure seamless and environmentally compliant manufacturing processes, resulting in high-quality products. The Group's commitment to excellence is further demonstrated by its investment in fortified infrastructure

aligned with global benchmarks.

This includes advanced technology platforms, building blocks, and modern multipurpose plants, positioning Navin Fluorine as an industry frontrunner.

Capitalising on the rising demand in the pharmaceutical and crop science sectors coupled with internal targets, we have continued to upgrade our manufacturing capabilities during the

fiscal year. Emphasising disciplined project execution and integration of safety, compliance and operational integrity, we are focussing on capacity led growth through disciplined investment in various capex programmes. By optimising capacity and technology, while securing efficiencies, we are driving sustainable growth and fostering enduring relationships.

**MODERN MANUFACTURING FACILITIES**

**Surat (Gujarat)**

**Responsible Care** Recertification audit conducted and Certification renewed for entire NFIL (Surat and Dewas) till January 2027

Navin Fluorine bagged awards in two different categories at the 7th HSE Summit Award Mumbai (National level Award). We were recognised as the Golden Award winner in the 'Best Health and Wellbeing Program' and the Silver Award winner in the 'Commitment to Environmental Excellence' category.

Surat site had participated in the National Summit on ESG in the large-scale corporate sector category, awarded as Best Health and Safety Practices on the state level.

TFS audit: We scored 79% in first-time audit at the Surat Site.

Surat Site received GPCB SWACHHTA Pakhwada Award 2023-24.

**Dewas (Madhya Pradesh)**

ISO 9001, ISO 14001, ISO 45001, ISO 50001, ICH Q7 GMP, RC, ECOVADIS (Bronze)

On June 05, 2023 Navin Fluorine Dewas Site was awarded First Prize in the Madhya Pradesh State Annual Environment Award.

**Dahej (Gujarat)**

ISO 9001  
ISO 14001  
ISO 45001

**122 acres**  
Area

**47.08 acres**  
Area

**71.14 acres**  
Area

## OUR COMPETITIVE EDGE

### Reputed Brand

Navin Fluorine is synonymous with market leadership, service reliability, manufacturing excellence, and superior price-value proposition, epitomising trust.

### State-of-the-art Manufacturing Facilities

The Group invested in modern manufacturing and control technologies to strengthen process and product outcomes.

### Building Scale

The Group, one of the fastest growing entities, owns one of the largest fluorination facilities in India.

### Backward Integration

We endeavour to back integrate our key products to basic feedstock which are in turn locked through strategic supply arrangements. This helps us to offer a reliable, cost-effective and China-free supply alternative to our customers coupled with supplying products with minimal import dependency for key raw materials.

### Deep Expertise

As a pioneer in Indian Fluorine chemistry, the Group has decades of operating experience, establishing itself as a trusted supplier.

### Integrated Fluorine Provider

The Group caters to a wide range of customer needs, from gram-scale to multi-hundred-tonne quantities, serving as a one-stop fluorine chemistry solution provider.

### Credible Certifications

The Group continues to enhance stakeholder confidence through accreditations such as ISO 45000-1, ISO 14000-1 and ISO 9000-1 and Responsible Care.

### Team Competency

The Group, renowned for its expertise in fluorination technologies and products, maintains its market leadership through selective recruitment, training and talent retention.

### Safety

The Group prioritises safety practices, including managing hazardous chemicals like bromine and hydrofluoric acid, supported by an in-house process safety test lab.

### Proximity

The Group's three manufacturing units are strategically located, close to multi-modal logistical options (ports, roads and railways), enhancing connectivity to vendors and customers.

### Sustainable Practices

The Group continues to adopt sustainable practices at each of its sites that primarily focusses on the environment, conservation of water and energy and safety at the workplace.

## CHALLENGES AND RESPONSES

Committed to sustainable growth and delivering lasting stakeholder value, the Group has aligned its operations with global environmental, social, and governance (ESG) benchmarks. During FY 2023-24, it has upgraded manufacturing and operational capabilities to innovate, build and operate chemical plants in a friendly and safe environment. The initiatives are included in the section on 'Empowering Sustainability'.

## FY 2023-24 HIGHLIGHTS

### Surat unit

- Looking at a new chemistry and new product development unit operation requirement from customers, we have revamped Surat site pilot plant facility
- NFIL's growth requires additional capacity of parent product (HF)
- Considering a market opportunity for manufacturing zero ODP (ozone depleting potential) refrigerant gas, 3000 TPA plant of R32 was commissioned leading to additional revenue
- A major energy saving opportunity was identified in HF plant which led to a considerable saving of Natural gas consumption
- To cater the above CAPEXes, we have upscaled our input power system, so as not to rely on natural gas power plants and use renewable energy from our contractual demand
- CAPEX of ₹ 84 crores for doubling HFC 32 capacity will come on stream in Q4 of FY25
- Capex of ₹ 30 crores to produce Fungicide Intermediate in Multipurpose plant at Surat

### Dewas unit

- New dedicated hydrogenation block has been commissioned to enhance safety & reliability of the production capabilities
- Enhanced the capacity of effluent treatment system to meet the growing demand & strengthening our commitment to the environment
- CAPEX of ₹ 288 Crs has been approved by the Board for a new manufacturing facility of approx. 200KL capacity and is being built to meet the growing demand of commercial products
- CAPEX for new Analytical Method Validation Laboratory was approved and is being built to expand our offerings to the customers

### Dahej unit

- CAPEX of ₹ 450 crores has been approved by the Board of NFASL for setting up a new 40,000 tonnes per annum HF Capacity at Dahej which is expected to come on stream by end of Q4 FY 2025
- Investment in Agro Specialty Plant (₹ 540 crores) at Dahej is on track and is expected to commence commercial production in Q2 FY'25
- Investment in Multi Purpose Plant (MPP) to cater new molecule (₹ 7 crores). Supplied two new molecules from MPP Plant at Dahej
- Local investment towards improvement / sustainability and compliance

## Excellence in Research and Development Strengthening Innovation

Leveraging our robust R&D capabilities, we develop innovative products to drive growth, expand reach and visibility as well as enhance our customers' market competitiveness.

### OVERVIEW

In the specialised field of fluorination, dominated by a select few major players, substantial investments in cutting-edge research are imperative to remain competitive. This emphasis on research is further intensified by the industry's fierce competition, which places a premium on cost leadership and drives ongoing investment in research initiatives. Additionally, evolving customer preferences for a diverse product portfolio and the growing need for environmentally friendly processes and resources drive the demand for sustainable alternatives. Navin Fluorine recognises these opportunities and continues to demonstrate its commitment to innovation and sustainability by leveraging and investing in its research capabilities.

### ROBUST R&D CENTRES

At Navin Fluorine, our two research and development (R&D) centres cater to different business models, handling distinct and diverse product portfolios.

#### R&D Centre at Navin Research & Innovation Centre

Our R&D centre at Navin Research and Innovation Centre (Specialty division of NFIL) at Surat specialises in the development and scale-up of fluorinated specialty chemicals. Our Surat centre comprises a 72-member team including 13 PhD, 59 M.Sc. level scientists and an analytical

development lab (ADL). Additionally, the Technology and Design (T&D) team (80 chemical engineers) at the Surat site collaborate with the R&D team to innovate new chemistries.

#### R&D Centre of Navin Molecular

The R&D centre of Navin Molecular (CDMO division of NFIL) at Dewas focusses on contract development and technology transfer of predominantly

preclinical and clinical candidates, collaborating with pharmaceutical and biotech companies worldwide. Our Navin Molecular R&D Centre comprises a 65-member team, including Manchester Organics Limited (MOL) and the technology transfer (TT) teams. They work cohesively to deliver timely solutions in full, right from concept to commercial scale for big pharma and biotech companies worldwide.



### COMPETITIVE EDGE

Over the past 14 years, Navin Fluorine has been consistently delivering various challenging commercial molecules for our customers. The Group has successfully demonstrated commercial-scale capabilities for various chemistries related to fluorination and non-fluorinated chemistry.

In the same vein, Navin Molecular has delivered phase driven projects from pre-clinical to Phase III and commercial molecules for our customers, establishing itself among the leading CDMO players in India.

Listed below are notable features highlighting the focus areas of both R&D centres at Navin Fluorine:

- 1 Research-based culture for protecting the brand and gaining a competitive advantage.
- 2 Synthesise cost-effective chemicals within a short turnaround time, strengthening the market competitiveness of customers.
- 3 Our high-price value products efficiently address the diverse needs of downstream uses.
- 4 Deal with marquee customers forming long-term bonds and multiyear partnerships resulting in higher revenue visibility.
- 5 Our specialisation in fluorinated intermediates differentiates us from other CDMOs.
- 6 Over time, our supply of fluorinated intermediates has helped us become trusted partners for our customers and facilitated entry into non-fluorinated intermediates.
- 7 Greater synergy between R&D and tech transfer teams ensures seamless development to scale-up, leading to fast turnaround times in producing and synthesising cost-effective chemicals, strengthening customers' market competitiveness.
- 8 Our quality products and superior product outcomes enhance customer value and deepen customer engagement.
- 9 With strong commitment from management towards R&D investment, we prioritise capability building, encompassing human resource, quality improvement and infrastructure enhancement, to sharpen our competitive edge.



**R&D DEVELOPMENTS IN FY 2023-24**

- 1 During FY 2023-24, our R&D centre at Surat delivered around 26 projects, including multiple repeat production campaign orders driven by high customer satisfaction propelled by on-time and successful development completion and new product development.
- 2 Expanded kilo lab & pilot plant by augmenting new reactors with all exotic MOC and dedicated heating cooling systems.
- 3 Established a new process safety lab in line with our commitment to developing safer processes and design process controls. The lab is equipped with all safety instruments like RSD, RC & ARSST, strengthening our capabilities in overall process controls at a commercial scale and enhancing our process safety through a proper safety screening before moving to the pilot or commercial scale, effectively evaluating process hazards.
- 4 The R&D centre at Dewas delivered around 50 projects, including repeat production campaigns driven by high customer satisfaction from on-time and successful development.
- 5 New product development, scale-up and supply achieved at an impressive 93% on-time in full (OTIF), surpassing the target of 80%.
- 6 The analytical division of Dewas R&D was augmented with state-of-the-art LC-MS and GC-MS Triple Quadrupole instruments, NMR (Bruker 300MHz) and ICP-MS, enabling scientists to quickly characterise the newly synthesised products and quantify impurities at ppm/ppb levels, accelerating turnaround time and shortening development timelines.
- 7 Procurement of cylindrical jacketed reaction vessels up to 5L during the fiscal year to establish the practice of utilising them for process development and lab batch demonstrations, replicating plant batch scenarios before scale-up.
- 8 Commissioned a 1,400 sq. ft. modern R&D chemical store at Dewas R&D to ensure safe handling and storage of chemicals based on their compatibilities.
- 9 Developed flow chemistry capability.
- 10 Conscious efforts were undertaken to enhance the scientific talent pool by hiring fresh PhDs from reputed institutes, to ensure the team is adept at providing tangible solutions to the myriad and complex chemistries presented by global customers.

**Outlook**

Navin's R&D excels in handling complex and hazardous chemistries as per customer specifications, with a key focus on meeting delivery timelines. Over the years, rapid development and delivery have enabled us to expand

our product portfolio, deepen capabilities and establish and deepen customer relationships.

**Performance Highlights: FY 2023-24**

**76**  
No. of products developed in FY 2023-24

**₹ 125 crores**  
Total R&D spend in FY 2023-24



## Robust Supply Chain Enhancing Agility

Focussed on the future, we are strengthening our supply chain and partner relationships to set the foundation for long-term sustainable success.

### OVERVIEW

In today's complex and volatile geopolitical landscape, an agile and resilient supply chain is indispensable for every manufacturing organisation to secure supplies and optimise costs as well as ensure sustainability and future readiness.

At Navin Fluorine, we have adopted a proactive approach over the years to build a reliable and diverse supply base, forging strong relationships with our supply partners. Additionally, we have implemented the best strategic sourcing practices and leveraged cutting-edge IT applications to boost our supply chain efficiency.

These efforts have cultivated trusted collaborations with our strategic supply partners, strengthening our bond and ensuring mutually beneficial growth. Our enduring relationships empower us to maintain uninterrupted supplies and cost advantages despite logistical challenges and cost pressures.



### COMPETITIVE EDGE

At Navin Fluorine,

- 1 Our Strategic Sourcing strategy ensures category-based management decisions and proactive supplier development to secure sustainable supplies for current and future requirements.
- 2 Our Logistics Management closely monitors volatile ocean freight markets, ensuring timely decisions to meet timely customer deliveries in full. Leveraging this strength has helped us optimise inventories while the use of online bidding tools secures the most competitive shipping rates.
- 3 Analysing market dynamics has enabled us to accurately leverage input cost competitiveness, ensuring competitive pricing of our products in a highly competitive environment.
- 4 We consistently support our Capex projects through timely and cost-effective procurement of capital goods and services.

### Challenges and Responses

During FY 2023-24, the Company encountered supply chain disruptions mainly on account of the Middle East conflict, causing shortages in shipping space and containers and leading to a sharp spike in ocean freight rates in Q3 – Q4 FY23-24.

Despite these challenges, our robust supply chain ensured uninterrupted supplies and delivered quality products to global customers. This showcased the Group's competency to adapt, remain agile, mitigate risks and explore alternative solutions in a highly evolving global environment.

### Key FY 2023-24 Highlights

- Navin Fluorine capitalised on the global soft price regime, securing the best prices for purchases through effective negotiations and contracting
- The Group prioritised cash flow management, its Supply Chain Management rationalised inventories and negotiated good extended payment terms to support the business
- Implemented an e-procurement tool, scheduled for completion in CY 2024, offering an end-to-end digital, touchless Source to Pay solution, increasing operational efficiencies and consolidating spending with increased transparency and governance
- Laying a strong emphasis on ESG, we shared our sustainability vision with our supply partners, garnering their active participation in our ESG journey

### Outlook

Navin Fluorine anticipates a benign cost environment in FY 2024-25, primarily influenced by excess capacities and weak demand. Only watch-out being geo-political events exacerbating the ocean freight situation or impacting crude oil prices with their downstream effect. However, leveraging effective utilisation of our e-procurement tool, dynamic supply partner relationships and timely contracting, we strive to maintain cost efficiencies and supply security. Additionally, we will continue to analyse the environment for sourcing new supply avenues and work towards swiftly integrating them into our supply, thereby mitigating risks for all critical materials and supporting upcoming projects. Furthermore, we remain steadfast on our sustainability journey, particularly undertaking positive initiatives in Extended Producer Responsibility (EPR) for our plastic waste management.



Environmental, Social and Governance

# Empowering Sustainability

Our Environment, Social and Governance ('ESG') policies play a crucial role in ensuring accountability and implementing systems and processes that effectively meet the needs of our stakeholders and generate better value for all.

**OVERVIEW**

ESG framework helps evaluate an organisation's business practices and performance across sustainability and ethical issues, assessing risks and opportunities within these areas. The framework provides a comprehensive understanding of the organisation's impact on the environment, society and governance principles.

As a responsible entity, Navin Fluorine prioritises accountability to effectively meet the needs of all stakeholders and deliver lasting value. Additionally, through our ESG initiatives and systems/processes, we strive to contribute to broader sustainability efforts, aligning with responsible corporate management and strategies for driving long-term success. We have established specific ESG goals and provide stakeholders with annual progress reports, ensuring transparency in our business performance and our progress in fulfilling our ESG commitments.



**OUR ESG APPROACH**

**Environment**

Effective control systems

Reducing greenhouse gas emissions

Compliance

Audit

**Social**

Workforce

Customers and Vendors

Community

**Governance**

Board of Directors

Integrity

Long-Term Managed Expansion

Brand

# Environmental

Our commitment to environmental sustainability is deeply ingrained in our operations and ethos. As part of our ESG endeavours, we prioritise the 'E' for the environment covering energy efficiency, renewable energy, value to waste, recycled materials, waste management, resource usage and preservation of biodiversity. Our commitment is evident in our Ecovadis assessment, which evaluates 21 sustainability criteria across four themes: Environment, Labour & Human Rights, Ethics and Sustainable Procurement.

**Environmental Management Systems**

We remain committed to investing in robust environmental management systems. Through these systems, we conduct comprehensive environmental due diligence, regular assessments and proactive emergency response measures to effectively control and mitigate environmental impacts across our operations.

**Reducing Carbon Footprint**

The Company is actively reducing its carbon footprint by shifting from fossil fuels to renewable sources of energy consumption, optimising energy consumption and adopting cleaner processes. Our ongoing climate action efforts are aligned with our commitment to address climate change and contribute to a sustainable future.

**Compliance and Performance Assurance**

At Navin Fluorine, our commitment to compliance extends beyond regulatory thresholds. We uphold stringent audit and compliance standards to ensure the reliability and trustworthiness of our overall operations. The Company's adherence to international standards such as ISO 45001, ISO 14001, and ISO 9001 underscores our dedication to safety, quality and environmental responsibility.

**Third-Party Validation**

Navin Fluorine's commitment to the highest safety and quality standards is validated by independent assessments from recognised institutions such as the Indian Chemical Council and ISO certification bodies. Our manufacturing facilities proudly display certifications and accolades, including the Responsible Care Logo, demonstrating our unwavering dedication to sustainable practices.

**KEY CERTIFICATIONS**

ISO 9001:2015

ISO 14001:2015

ISO 45001:2018



**KEY ENVIRONMENT CONSERVATION INITIATIVES: FY 2023-24**

We undertook various environmental initiatives across our sites towards achieving environmental conservation.



**Energy Conservation**

- Enhancing natural gas consumption in the existing system by optimising the recycling of flue gases, which would otherwise escape the stack, back into the water pre-heater system
- Replacement of LCD lighting (CFL) with LED lighting in a phased manner
- Combined two different capacity air compressors to utilise as per load and changeover
- Power saving by utilising an auto cut-off system with fans of the cooling tower, resulting in energy savings
- Third-party Power Purchase Agreement (PPA) application process underway to expand renewable electricity utilisation
- Waste heat recovery opportunity identified and implemented in new MEE system for reducing steam and power requirement
- Completed power purchase agreement to convert an average of 1.38 crores kwh/year of total input power from renewable energy (solar and wind energy) in place of conventional power

**Water Conservation**

- Performed a water balance at the site to identify sources for reducing/optimising process and utility water consumption
- Flow meter installed to monitor consumption
- Damaged pipelines replaced with new ones
- Auto cut-off valve installed to overhead water tanks
- Developed condensate collection system in addition to the existing recovery system, to recover condensate from 11 low-pressure traps and 4 hot water systems, leading to savings in natural gas, electricity and water consumption

**Environment**

- The Surat facility awarded first prize in the Gujarat Pollution Control Board's Swachta Pakhwada Award
- Developed landscaping at the ETP area by planting nearly 100 new saplings
- Replaced the disc-type diffusers in the bioreactor tank of the ETP to improve the efficiency of the plant
- Replaced the TOC meter installed at the effluent discharge line with the latest technology model

**IMPACT**

Dewas plant is a **Zero Liquid Discharge facility**

**80,766 kwh**  
Reduction in electricity consumption of air compressor

**74.1%**  
Total waste recycled

**Surat plant**  
**3.1% reduction in landfill**  
Total waste reduction

**23.6%** renewable electricity  
7-fold increase from previous year

**20,819**  
trees planted across the operations.  
(96,696 trees cumulative as on March 31, 2024)

**224.9 kl/day of water**  
Recovery of water from steam condensate directly fed to the boiler

**5,58,048 kl**  
Water recycled  
(85% of total water demand filled from recycled water)

**1.38 crores kwh units**  
Consumed renewable electricity across the operations

**5,432.2 gj**  
Total energy conserved



# Social

The letter 'S' of ESG depicts the social aspect of our initiatives and underscores our relationships with stakeholders, including employees, customers, suppliers, investors, regulators and local communities.

## WORKFORCE

At Navin Fluorine, we promote diversity and inclusion among our workforce to maintain a productive and engaged workforce while fulfilling our broader goals. Our commitment to workforce excellence is evident in strategic investments in recruitment, retention and training, aimed at improving efficiency and effectiveness. For more information, please refer to the section 'Nurturing a Dedicated Team' on Page 54 of this Annual Report.

**1,514**

No. of full-time employees as of March 31, 2024

## CUSTOMERS AND VENDORS

Prioritising positive industrial relations, the Group continues to forge strong bonds with both customers and vendors to thrive in a complex resource landscape.

## COMMUNITY

We maintain stable partnerships with our local communities through focussed Corporate Social Responsibility ('CSR') initiatives. By aligning these interventions with the United Nation's Sustainable Development Goals, we strive to enhance social responsibility and environmental sustainability and promote prosperity, particularly in the areas surrounding our manufacturing sites and head office. For more information, please refer to the section 'Building stronger Community Connections' on Page 56 of this Annual Report.

## Key Social Initiatives in FY 2023-24

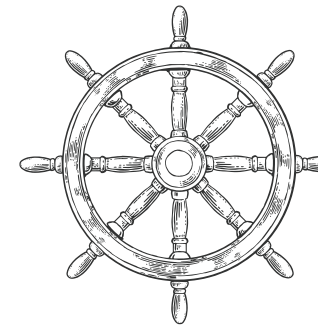
Our policies cover a wide range of social aspects, including but not limited to:

- Product Safety and Quality Policy: Upholding the highest standards of product safety and quality to safeguard consumer well-being
- Employee/Occupational Health and Safety Policy: Prioritising the health and safety of our workforce through proactive measures and risk mitigation strategies
- Supply Chain Management Policy/ Sustainable Procurement Policy: Promoting sustainable and ethical practices across our supply chain to ensure responsible sourcing and procurement
- Anti-Discrimination and Harassment Policy: Prohibiting discrimination and harassment of any form and promoting a respectful and inclusive work environment
- Equal Opportunity for Work and Pay Policy: Ensuring equal opportunities for all employees in terms of work assignments and compensation
- Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016: Promoting inclusivity and providing equal opportunities for persons with disabilities
- POSH Policy: Establishing mechanisms to prevent and address incidents of sexual harassment at workplace
- Grievance Redressal Policy - External: Providing channels for external stakeholders to raise grievances and seek resolution
- Grievance Redressal Policy - Internal: Establishing procedures for employees to report grievances and seek resolution internally.
- Code of Business Conduct for Vendors and Suppliers: Setting expectations for ethical conduct and responsible business practices among our vendors and suppliers
- Human Rights Policy: Affirming our commitment to respecting and promoting human rights in all aspects of our operations and business relationships
- Stakeholder Engagement Policy: Outlining our approach to engaging with stakeholders and incorporating their input into decision-making processes
- Protection Against Victimisation: Ensuring protection for individuals who report misconduct or violations of company policies from retaliation or victimisation

# Governance

The letter 'G' in ESG signifies governance, encompassing the practices, regulations and protocols implemented to oversee operations, decision-making, legal compliance and address stakeholder concerns.

Our robust governance practices strive to strengthen stakeholder trust and attract individuals with similar values as evident in our enduring relationships with employees, vendors and customers, many of whom have been long associated with us.



## Board of Directors

The Group is strategically guided by a diverse and experienced Board of Directors including accomplished professionals and business leaders with extensive experience and cross-industry knowledge.

## Integrity

The Group conducts ethical business activities, prioritising fairness, respect, gender equality, unbiased recruitment and appraisal and environmental protection, with zero tolerance for any unethical behaviour or harassment.

## Long-term Vision

The Group is committed to long-term stability and growth, investing in assets, technologies, personnel, locations, products and partnerships to maintain technological excellence and ethical standards and competencies.

## Managed Expansion

The Group believes in long-term sustainable growth achieved through a balanced approach between operations and the environment, ensuring incremental investments and a healthy Balance Sheet.

## Brand Strength

The Company specialises in the niche area of fluorination, positioning itself as a leader in the industry. This has helped it focus on strategic direction, operational diversification, talent engagement and research advancement, helping it strengthen brand recall and gain a competitive edge.

## Key Highlights

- Structured policies and processes to address investor grievances
- Rigorous Board evaluation policy
- Active succession pipeline for critical roles including the Board
- All resolutions as proposed by the Board were approved (except one) by the shareholders at the 25th AGM held in 2023
- Carried out internal audit through an independent audit firm, reporting directly to the Audit Committee
- No defaults concerning repayments, creditors, dividends and statutory dues
- No Auditor qualification against the Company
- No re-statements of financial statements
- No allegations of financial imprudence were reported

## STRUCTURE OF BOARD COMMITTEES (AS ON JUNE 29, 2024)

### Audit Committee

Sr. No.	Name	Category	Chairman/Member
1.	Mr. Sujal A. Shah	Independent Director	Chairman and Member
2.	Mr. Sunil S. Lalbhai	Non-Executive, Non-Independent Director	Member
3.	Ms. Radhika V. Haribhakti	Independent Director	Member
4.	Mr. Ashok U. Sinha	Independent Director	Member

### Nomination and Remuneration Committee

Sr. No.	Name	Category	Chairman/Member
1.	Ms. Apurva S. Purohit	Independent Director	Chairperson and Member
2.	Mr. Sunil S. Lalbhai	Non-Executive, Non-Independent Director	Member
3.	Mr. Sujal A. Shah	Independent Director	Member

### Stakeholders' Relationship Committee

Sr. No.	Name	Category	Chairman/Member
1.	Mr. Atul K. Srivastava	Independent Director	Chairman and Member
2.	Ms. Radhika V. Haribhakti	Independent Director	Member
3.	Mr. Vishad P. Mafatlal	Promoter - Executive Director	Member
4.	Mr. Sujal A. Shah	Independent Director	Member

### Corporate Social Responsibility Committee

Sr. No.	Name	Category	Chairman/Member
1.	Mr. Ashok U. Sinha	Independent Director	Chairman and Member
2.	Mr. Vishad P. Mafatlal	Promoter - Executive Director	Member
3.	Mr. Sudhir R. Deo	Non-Executive, Non-Independent Director	Member

### Risk Management Committee

Sr. No.	Name	Category	Chairman/Member
1.	Mr. Vishad P. Mafatlal	Promoter - Executive Director	Chairman and Member
2.	Mr. Atul K. Srivastava	Independent Director	Member
3.	Mr. Sudhir R. Deo	Non-Executive, Non-Independent Director	Member
4.	Mr. Nitin G. Kulkarni	Managing Director	Member
5.	Mr. Anish P. Ganatra	Non Director	Member
6.	Mr. Lalit Soni	Non Director	Member

### Fund Raising Committee

Sr. No.	Name	Category	Chairman/Member
1.	Mr. Vishad P. Mafatlal	Promoter - Executive Director	Chairman and Member
2.	Mr. Nitin G. Kulkarni	Managing Director	Member
3.	Ms. Radhika V. Haribhakti	Independent Director	Member
4.	Mr. Sujal A. Shah	Independent Director	Member
5.	Mr. Atul K. Srivastava	Independent Director	Member

### ESG Steering Committee

Sr. No.	Name	Category	Chairman/Member
1.	Mr. Nitin G. Kulkarni	Managing Director	Chairman and Member
2.	Mr. Sujal A. Shah	Independent Director	Member
3.	Mr. Sudhir R. Deo	Non-Executive Non-Independent Director	Member

7 non-Board members are in the ESG Steering Committee.

### Composition of Board Committees

(Independent and Non-Executive Directors)

Board Committee	Independent Directors	Non-Executive Non-Independent Directors	Executive Directors
Audit Committee	3	1	0
Nomination and Remuneration Committee	2	1	0
Stakeholders' Relationship Committee	3	0	1
Corporate Social Responsibility Committee	1	1	1
Risk Management Committee*	1	1	2
Fund Raising Committee	3	0	2
ESG Steering Committee <sup>#</sup>	1	1	1

\* In addition, 2 non-Board members are in the Risk Management Committee.

<sup>#</sup> In addition, 7 non-Board members are in the ESG Steering Committee.

### BOARD MEETINGS IN FY 2023-24

9

Board Meetings

18

Committee Meetings

### BOARD COMPOSITION (%)

18.18%

Executive Directors

81.82%

Non-Executive Directors

### BOARD DIVERSITY

9

Male

2

Female

### AVERAGE AGE OF DIRECTOR

64

years

### EXPERIENCE OF BOARD

100%

>25 years

# BOARD OF DIRECTORS



**Mr. Vishad P. Mafatlal**  
*Chairman*

Mr. Mafatlal, an accomplished industrialist with 27+ years of textile and chemical industry expertise, serves as Executive Chairman and designated Chairman of the Company. He has a Bachelor of Science degree in Economics from the University of Pennsylvania's Wharton School.



**Mr. Mohan M. Nambiar**  
*Non-Executive Non-Independent Director*

Mr. Nambiar, a seasoned professional with 61+ years of diverse industry experience holds a degree in Commerce and is a member of the Institute of Chartered Accountants of India. In the past, he has held esteemed roles including that of President, Chairman, and Member in various institutions such as the Cement Manufacturers Association, National Council for Cement Industry, The Associated Chamber of Commerce and Industry of India, and Bombay Chamber of Commerce. His rich experience also includes 26+ years of association with Associated Cement Company Limited., including 6 years as Managing Director.



**Mr. Pradip N. Kapadia**  
*Independent Director*  
(upto June 24, 2024)

Mr. Kapadia, a senior partner at Vigil Juris, advocates and solicitors in Mumbai, holds 47+ years of legal experience. He holds a B.A. and an LLB degree and is qualified both as an advocate and solicitor. He serves on the Board of various other companies.



**Mr. Sunil S. Lalbhai**  
*Independent Director*  
(upto June 24, 2024)

*Non-Executive Non-Independent Director*  
(w.e.f. June 25, 2024)

Mr. Lalbhai is an industry veteran with 34+ years of experience in chemicals and general management. He holds a Science degree, an M.S. in Chemistry from USA and an M.S. in Economic Planning & Policy from Boston University.



**Mr. Sudhir G. Mankad**  
*Independent Director*  
(upto June 24, 2024)

Mr. Mankad, a retired IAS officer, served as the Chief Secretary to the Government of Gujarat from 2005 to 2007. Previously, he held significant positions in the Central Government, including in the Ministries of Finance, Agriculture and Human Resource Development and in the Government of Gujarat. He holds a Master's degree in Arts (History) from the University of Delhi and a Diploma in Development Studies from Cambridge University.



**Mr. Harish H. Engineer**  
*Independent Director*  
(upto June 24, 2024)

Mr. Engineer, an experienced banker with 45+ years in the banking industry, retired as Executive Director of Wholesale Banking - HDFC Bank Ltd. He holds a Bachelor's degree in Science and a Diploma in Business Management from Hazarimal Somani College, Mumbai.



**Ms. Radhika V. Haribhakti**  
*Independent Director*  
(upto July 29, 2024)

Ms. Haribhakti has 31+ years of experience in commercial and investment banking. She holds a degree in Commerce and a postgraduate diploma in Management from IIM Ahmedabad. Previously, she has worked with Bank of America, JM Morgan Stanley, and DSP Merrill Lynch. Her expertise includes advising large companies and leading their equity and debt offerings in domestic and international capital markets. Currently, she offers advisory services through RH Financial but primarily serves as an Independent Director on multiple boards.



**Mr. Ashok U. Sinha**  
*Independent Director*

Mr. Sinha, a seasoned leader has accumulated a wealth of expertise during his 33-year tenure at Bharat Petroleum Corporation Ltd. He has served on the BPCL Board for 15 years, initially as Director of Finance for a decade from 1996, then as Chairman and Managing Director for 5 years from August 2005. His vast expertise encompasses finance, accounting, sales, marketing, commercial operations, manufacturing, quality assurance, supply chain management, mergers and acquisitions and business development. He has a BTech in Electrical Engineering from IIT Kanpur and holds a Postgraduate Diploma in Management from IIM Bangalore, with a specialisation in finance.



**Mr. Sujal A. Shah**  
*Independent Director*

Mr. Shah holds 31+ years of deep expertise across the domains of valuation, due diligence, corporate restructuring, audit and advisory. He is a Commerce graduate and a Member of the Institute of Chartered Accountants of India.



**Ms. Apurva S. Purohit**  
*Independent Director*

Ms. Purohit, a successful Indian business leader, holds 31+ years of media and entertainment industry expertise. Her expertise is spread across a diverse portfolio of businesses in collaboration with private equity players and promoters, ranging from early-stage ventures to mature enterprises. Recognised multiple times as one of the most powerful women in business by India Today Group and Fortune India, she holds a Postgraduate Diploma in Management from IIM Bangalore.



**Mr. Atul K. Srivastava**  
*Independent Director*

Mr. Srivastava, a seasoned professional with 47+ years of working experience across large corporates, specialises in finance, accounting, taxation and commerce. He has a Science degree and is a Fellow Chartered Accountant (B.Sc.(Hons), FCA).



**Mr. Abhijit J. Joshi**  
*Independent Director*  
(w.e.f. May 07, 2024)

Mr. Joshi, the Founding and Managing Partner of Veritas Legal is regarded among Asia's Top 15 Private Wealth and M&A Lawyers with a legal career spanning 3 decades. Over the years, he has advised various business houses, promoter families, global conglomerates and large private equity houses across industry sectors on numerous complex deals and cases. He is a dual-qualified solicitor in India and England.



**Mr. Sudhir R. Deo**  
*Non-Executive Non-Independent Director*  
(w.e.f. September 28, 2023)

Mr. Deo, a Non-Executive Non-Independent Director, brings 45+ years of experience with the Arvind Mafatlal Group (AMG) and retired as Managing Director of NOCIL in July 2023. His domain expertise covers Manufacturing, Technology, Research, Strategy, Marketing and Supply Chain among others. As an ESG and Sustainability expert, he strives to implement ESG principles to enhance business value. He holds an M. Tech. in Chemical Engineering from IIT Kanpur.



**Mr. Nitin G. Kulkarni**  
*Managing Director*  
(w.e.f. June 24, 2024)

Mr. Kulkarni brings to Navin Fluorine over three decades of rich experience across the specialty chemicals value chain, specifically covering fluoro-chemicals and CDMO. He is a highly respected leader with a proven track record of: driving growth, establishing new business verticals, embedding manufacturing excellence, and execution of large projects, both brownfield and greenfield. He is well connected in the industry with strong and deep relationships across leading global majors. He is also passionate about HSE and sustainability. He has previously worked with Navin Fluorine for a period of 7 years, heading Business Development, where he was instrumental in establishing the specialty business.

Our People

# Nurturing a Dedicated Team

At Navin Fluorine, we strive to build a sustainable ecosystem supported by our talented workforce. Our robust employee engagement initiatives aim at fostering a productive and thriving workplace, promoting employee overall well-being and development.

**ADVANCING INCLUSIVITY THROUGH CULTURAL CELEBRATIONS**

We actively engage in celebrating a diverse range of cultural festivities, reflecting the varied backgrounds of our employees. These events serve as a platform for cultural education and fostering inclusivity within our workforce. By honouring different traditions, we enhance the understanding and appreciation among our employees, thereby cultivating a welcoming and conducive environment. These celebrations help strengthen our community, promoting belonging and respect for each individual's background.

**PROMOTING A COMPETITIVE AND COLLABORATIVE SPIRIT THROUGH SPORTS AND RECREATION**

In addition to cultural initiatives, we offer comprehensive sports and recreational activities to promote physical wellness and teamwork among our people. Team sports like football and cricket to individual pursuits like yoga and chess are all considered integral to our approach. These activities foster a competitive yet supportive atmosphere, enhancing physical health and cultivating the spirit of teamwork. These programmes play a vital role in creating a dynamic and cohesive workplace where employees can connect and collaborate beyond their regular work responsibilities.

**LEARNING AND DEVELOPMENT**

Our Learning and Development philosophy is rooted in the belief that continuous improvement and personal growth are crucial to individual and organisational success. We are committed to fostering an environment where learning is integrated into daily activities, ensuring every employee is equipped to navigate a complex and evolving business landscape.



**STRUCTURED DEVELOPMENT PROGRAMMES ARE CATEGORISED INTO THREE CORE AREAS, EACH TARGETING SPECIFIC SKILLS AND COMPETENCIES**



**Leading Self**

This segment emphasises personal effectiveness by helping employees enhance their self-management skills, prioritise tasks and drive professional growth. The objective is to empower individuals to proactively manage their responsibilities with high competence and autonomy.

**Leading Teams**

Targeted at managerial roles, this programme aims to cultivate essential leadership skills such as team management, motivation, and collaboration. Improving these capabilities equips managers to effectively lead diverse teams and foster a collaborative environment, conducive to achieving shared goals.

**Leading Functions**

Specifically tailored for senior leaders and specialists, this curriculum emphasises strategic thinking and decision-making. Deepening functional expertise, participants get equipped with the requisite skills necessary to help their departments navigate through strategic challenges and opportunities, ensuring visionary leadership and future readiness.

Corporate Social Responsibility

# Building Stronger Community Connections

The cornerstone of Navin Fluorine's CSR philosophy lies in the belief that CSR is more than just a set of principles; it is the guiding force that shapes our purpose. Embracing this ethos, the Company is dedicated to giving back and empowering social progress through focussed programmes.



Diya Workshop by Cancer Patients Aid Association

## VALUES

"I SLEPT AND DREAMT THAT LIFE WAS JOY.  
I AWOKE AND SAW THAT LIFE WAS SERVICE.  
I ACTED AND BEHOLD, SERVICE WAS JOY."

-Rabindranath Tagore

As a responsible entity, Navin Fluorine drives positive change through initiatives spanning health, education, sports, sustainable livelihood, animal care, and various social causes. During FY 2023-24, we prioritised women's empowerment, a cause close to the heart of our beloved founder, Late Shri Arvind N. Mafatlal, whose centenary birth anniversary was celebrated this year.

On a standalone basis, in FY 2023-24, the Company allocated ₹ 7.45 crores towards CSR, exceeding the required mandatory spend of ₹ 7.31 crores. In addition to this, CSR spend from Navin Fluorine Advanced Sciences Limited was ₹ 0.54 crores. Navin Fluorine acknowledges its implementing partners for their crucial support in executing projects that have created an impact on society. We have

undertaken several key CSR initiatives through our collaborations with organisations like Shri Sadguru Seva Sangh Trust, Charutar Arogya Mandal's Shree Krishna Hospital, Blind People's Association, Foundation for Promotion of Sports, Arvind Mafatlal Foundation, Shakti Foundation, Cancer Patients Aid Association, Sir J. J. Hospital, Nanhi Kali, Consumer Education and Research Centre and Prayas, aimed at making a difference to many lives.

In addition to these partnership projects, Navin Fluorine continues to operate mobile health vans in rural areas near Surat and Dewas, furthering community well-being.

Though not statutorily mandated, the Company conducts Impact Assessments of its select projects from time to time. This Annual Report contains the executive summary of the Impact Assessment undertaken by the Company for support to Charutar Arogya Mandal during FY 2021-22, demonstrating our commitment to transparency and accountability.

**₹ 7.45 crores**  
Total CSR spend in NFIL in FY 2023-24

**₹ 0.54 crores**  
Total CSR spend in NFASL in FY 2023-24

**FY 2023-24 CSR HIGHLIGHTS**

**Shri Sadguru Seva Sangh Trust ('SSST')**

Established in the early 1950s, SSSST is a registered Public Charitable Trust dedicated to serving humanity. Guided by the principles of Param Pujya Shri Ranchhoddasji Maharaj ('Gurudev'), the Trust embodies the core values of 'seva' (selfless service) and righteousness. Entrusted to our esteemed founder, Late Shri Arvind N. Mafatlal, nominated as Chairman of the Trust by Gurudev, the Trust has achieved sustained and diversified growth under his able leadership. Operating several institutions, including Sadguru Netra Chikitsalaya and Jankikund Chikitsalaya, both at Chitrakoot, SSSST focusses on rural eye care and comprehensive healthcare. Other institutions of the Trust are also dedicatedly working towards social and rural development activities in the rural areas of Anandpur (District Vidisha, Madhya Pradesh), where two hospital units viz. Shri Sadguru Sankalp Netra Chikitsalaya and Shri Sadguru Matritva Sadan are added to the existing General Hospital of Shri Sadguru Sankalp Chikitsalaya.

In FY 2023-24, Navin Fluorine contributed ₹ 2 crores to SSSST for upgrading the Oculoplasty Department and purchasing medical equipment for the development of the medical hospital at Chitrakoot.

**More than 30,000 Beneficiaries (direct and indirect) for CSR activities undertaken through SSSST**

**Charutar Arogya Mandal ('CAM')**  
Established in 1972 as a trust and society, CAM provides comprehensive and affordable healthcare to needy people. CAM aims to provide comprehensive, personalised healthcare with commitment, compassion and affordability to all in need.

Sr. No.	Particulars	Hospital Department	Amount (₹ in crores)
1.	Image 1 Laparoscopic Set	Surgery – Urology	0.50
2.	NICOLET V-32 Channel Video EEG	Neurology	0.23
3.	USG - OBG	Obstructive and Gynaecology	0.21
4.	Endoscopy camera processor & camera head	ENT	0.15
5.	Supporting treatment of patients from poor families	-	0.02
<b>Total</b>			<b>1.11</b>

Today, the institution boasts a state-of-the-art 1,000-bed NABH-accredited 'Shree Krishna Hospital', a Medical Council of India recognised medical college, post-graduate studies institute, nursing school and college, physiotherapy college, medical technology institute, cardiac centre and cancer centre within its well-developed 100-acre campus.

During FY 2023-24, the Company's contribution of ₹ 1.11 crores to CAM was utilised towards buying equipment across the hospital departments, as seen below.



NICOLET V-32 Channel Video EEG in use at Shree Krishna Hospital

**Equipment 1: Image 1-Laparoscopic Set**

The existing instrument, used for over 12 years, had reached its 'end of life' status. The newly purchased 'Image 1' is a state-of-the-art instrument with significant technological advancements, expected to enhance current operations and enable more complex surgeries.

**Equipment 2 : NICOLET V-32 Channel Video EEG**

With few centres in Gujarat treating refractory epilepsy, Shree Krishna Hospital's acquisition of a video EEG has elevated it to an advanced centre for epilepsy evaluation. This advancement has enhanced neurology training and research programmes along with collaboration on national epilepsy cure initiatives.

**Equipment 3: USG - OBG**

The equipment is used for 12-14 scans per day and holds clinical and decision-making significance.

**Equipment 4: Endoscopy Camera Processor and Camera Head**

Endoscopy aids in identifying various conditions like ulcers, bleeding, celiac disease, blockages, inflammation and tumours. It can also find the cause of unexplained symptoms such as heartburn, abdominal pain, bleeding, nausea, vomiting and pain. The equipment is anticipated to be utilised for approximately 10 procedures per day and conduct around 4,000 procedures annually.

**More than 10,000 Beneficiaries (direct and indirect) for CSR activities undertaken through CAM**

**Blind People's Association ('BPA')**  
BPA, a six-decade-old Ahmedabad-based organisation has units and a satellite centre across Gujarat and one in Rajasthan. BPA serves

individuals with various disabilities, including blindness, hearing impairment, intellectual disabilities and mental illnesses, among others. Its comprehensive services include education, vocational training and distribution of assistive devices. With the support of individual donors, philanthropists, and CSR programmes of corporates, BPA has reached diverse individuals with disabilities across remote and unreached areas.

Sr. No.	Project details	Amount (₹ in crores)
1.	Mental Illness Project	0.44
2.	Soft Skills and Empowerment of Blind Women	0.08
3.	Early Childhood Services	0.29
4.	Livelihood and Self-Employment	0.25
<b>Total</b>		<b>1.06</b>

During FY 2023-24, the Company contributed a total of ₹ 1.06 crores to BPA, covering:



A beneficiary of the Early Childhood Services project of BPA



**Project 1: Mental Illness Project**

People with mental illness and intellectual disabilities possess valuable abilities and skills, but societal stigma and lack of awareness often hinder opportunities to showcase their worth. Even after full recovery from their illness, they do not get acceptance from mainstream society. Similarly, people with intellectual disabilities face rejection. Despite their potential contributions, such people continue to remain marginalised.

The project aimed at teaching vocational skills to individuals with disabilities, helping them master them and prepare them for formal or self-employment. Trades were chosen based on simplicity and village earning potential, including tailoring, paper plate making, agriculture-related skills, and seasonal occupations.

Implemented in Thasra, Deesa, Surendranagar, and Nakhatrana in Gujarat, the project also focussed on teaching individuals with mental disabilities various trades and provided medications for behavioural adaptation and life adjustment. Now living with dignity, they lead self-reliant lives and contribute to the mainstream economy, families, communities and the overall GDP.

**Project 2: Soft Skills and Empowerment of Blind Women**

Blind and low vision women face dual challenges due to their gender and disability. Through this project, such women were provided training throughout the year on the BPA campus. Aimed at fostering independence and dignity, the programme covered essential skills such as mobility, environment orientation, safety, grooming, cooking, childcare, health, hygiene, personality development, public speaking and small business management. A dedicated training centre was established on campus to empower these women with essential skills.

**Project 3: Early Childhood Services**

The project catered to children aged 0-10 years by offering them various services, including comprehensive assessment, development of individual education plans, physiotherapy, speech therapy, occupational therapy, parent training, community stakeholder training and sensitisation of community members. Additionally, it facilitated preparedness for formal education.

**Project 4: Livelihood Assistance**

The project empowered people with disabilities to achieve financial independence by providing a launching grant, enabling them to be 'Atmanirbhar' and empowered.

**More than 3,800 Beneficiaries (direct and indirect) for CSR activities undertaken through BPA**

**Arvind Mafatlal Foundation ('AMF')**  
AMF, a registered trust under the Bombay Public Trust Act, 1950, engages in diverse activities such as supporting educational institutions in rural and remote areas, providing assistance to underprivileged individuals requiring medical treatment, aiding NGOs focussed on the wandering, mentally ill and destitute population on India's streets, as well as supporting voluntary service organisations assisting those affected by natural calamities. In FY 2023-24, commemorating the centenary birth year of the Company's founder, Late Shri Arvind N. Mafatlal, a pioneer in philanthropy, the Company contributed ₹ 1 crore to AMF for projects supporting women's empowerment related to the below causes.

Sr. No.	Agency engaged	Project details	Amount (₹ crores)
1.	Shakti Foundation	Menstrual hygiene and sustainable livelihood generation	0.41
2.	Blind People's Association	Self-employment of women with disabilities	0.16
		Scholarship programme for female students with disabilities	0.23
3.	Olympic Gold Quest	Support to women athletes	0.20
<b>Total</b>			<b>1.00</b>

**Project through Shakti Foundation**

Shakti Foundation, a decade-old organisation dedicated to rural development and women empowerment, operates multiple projects in health, hygiene, education, skill development and livelihood across over 12 districts in Gujarat. The project focussed on empowering Self-Help Groups (SHGs) and tribal girls, the foundation embarked on a project to skill tribal girls in crafting sanitary pads for themselves and enabling them to earn while they learn. This initiative was implemented in remote tribal areas of Surat, Tapi, Valsad and Dang in Gujarat.

**Projects through the Blind People's Association  
Self-employment of Women with Disabilities**

BPA targeted marginalised women with disabilities from Varanasi and nearby blocks who faced economic hardship and social exclusion. The project provided initial support for them to establish their own business. Through the initiative, BPA distributed self-employment support and materials to these women, equipping them with the necessary skills for entrepreneurship.

**Scholarship Programme for Female Students with Disabilities**

Girls with disabilities often encounter significant barriers to completing their education, especially in rural areas. Facilities for secondary, higher secondary and professional courses are limited in such regions. Many have to travel to nearby cities or reside in hostels, posing challenges, particularly for poor students with disabilities. This leads to most students from rural regions with disabilities not completing their graduation and post-graduation.

To address this, BPA initiated the Gyan Prabha Scholarship for Higher Education, providing financial assistance to 100 girls with

disabilities selected based on their disability, academic performance, admission details and financial need. Beneficiaries were identified from disadvantaged districts such as Dahod, Narmada, Morbi, Banaskantha and other regions across Gujarat.

**Project through Olympic Gold Quest ('OGQ')**

Through OGQ, support was provided to women athletes to train for the 2024 and 2028 Olympic Games.

**More than 9,500 Beneficiaries (direct and indirect) for CSR activities undertaken through AMF**

**Foundation for Promotion of Sports OGQ**, a programme of Foundation for Promotion of Sports and Games,

identifies and supports Indian athletes with the potential to win Olympic and Paralympic Gold medals for the country. OGQ has identified 10 priority sports where India has a genuine chance of Olympic medals viz. Shooting, Archery, Boxing, Wrestling, Athletics, Badminton, Swimming, Table Tennis, Cycling and Weightlifting. The OGQ team ensures that the entire selection and monitoring process is conducted in a very stringent and transparent manner. During FY 2023-24, the Company contributed ₹ 0.90 crores to OGQ to support junior athletes.

**86 Beneficiaries (direct and indirect) for CSR activities undertaken through OGQ**



Boxer Preeti Dahiya with OGQ Sports Scientist Christopher Galager



Equipment purchased at the hospital at Chitrakoot by Shri Sadguru Seva Sangh Trust

**Cancer Patients Aid Association**

Cancer Patients Aid Association ('CPAA'), a non-profit organisation, established in 1969, addresses the total management of Cancer working side-by-side with the medical fraternity. CPAA's Rehabilitation Centre was established in 1987 to restore confidence and self-worth in the lives of poor cancer patients. During FY 2023-24, the Company made a contribution of ₹ 0.40 crores to CPAA's Rehabilitation Centre towards providing wages to patients and/or their family members engaged at the Centre's workshops and ancillary support in the form of Dharamsala accommodation for out-of-town patients, conveyance, ration, school fees and refreshment.

**50 Beneficiaries (direct and indirect) for CSR activities undertaken through CPAA**

**Sir J. J. Hospital**

Grant Government Medical College and Sir JJ Group of Hospitals is a tertiary care hospital dedicated to the health and well-being of a large population from all over Maharashtra and across India. During FY 2023-24, the Company contributed ₹ 0.30 crores for a new LED OT light for the hospital's Neurosurgery department to benefit surgeries and aid the hospital in maximising patient care.

**More than 100 Beneficiaries (direct and indirect) for CSR activities undertaken through Sir J. J. Hospital**

**Mobile Health Vans**

The Company operates mobile health vans that provide regular healthcare services to villages around Surat and Dewas and has allocated ₹ 0.30 crores towards their operation during FY 2023-24.

**More than 70,000 Beneficiaries (direct and indirect) for CSR activities undertaken through Mobile Health Vans**

**Project Nanhi Kali**

Started in 1996 by Shri Anand Mahindra, Project Nanhi Kali supports the education of underprivileged girls enrolled in government schools across India. Through the Nanhi Kali project, the Company has sponsored the education of 200 primary school girls and 200 secondary school girls in Mumbai through a contribution of ₹ 0.23 crores in FY 2023-24.

**489 Beneficiaries (direct and indirect) for CSR activities undertaken through Project Nanhi Kali**

**Consumer Education and Research Centre**

Consumer Education and Research Centre ('CERC'), set up in 1978, is dedicated to the education and empowerment of consumers as well as the promotion and protection of consumer interests through effective uses of education, research, the media and law. During FY 2023-24, the Company contributed ₹ 0.10 crores to CERC for consumer redressal and protection activities.

**Prayas (Green NGO)**

Prayas is dedicated to promoting the conservation of nature and the protection of the environment through education and direct action. The Company donated ₹ 0.05 crores during FY 2023-24 to support initiatives of Prayas in animal welfare, bird rescue and rehabilitation, benefiting injured or abandoned animals and birds.

**1,200 Beneficiaries (direct and indirect) for CSR activities undertaken through Prayas**

**CSR Activities through Navin Fluorine Advanced Sciences Limited ('NFASL')**

**Shakti Foundation**

The project aimed to empower tribal girls from interior tribal Ashram schools by providing them with skills to make sanitary pads for themselves, enabling them to earn while they learn. Implemented in the interior tribal areas of Sajod and Poicha, the project had an aggregate cost of ₹ 0.20 crores.

**Building Classrooms for School in Amleshwar, Gujarat**

NFASL constructed 2 classrooms for Sadanand School in Amleshwar, established by Amleshwar Vibhag Kelavani Mandal to provide free education to children from poor families



Prayas - A dog being operated

residing in and around Amleshwar. With the school infrastructure deteriorating after 58 years, NFASL allocated ₹ 0.20 crores for the project.

**Nanhi Kali**

Through Nanhi Kali, NFASL has sponsored the education of 200 primary school girls and 200 secondary school girls in Bharuch for

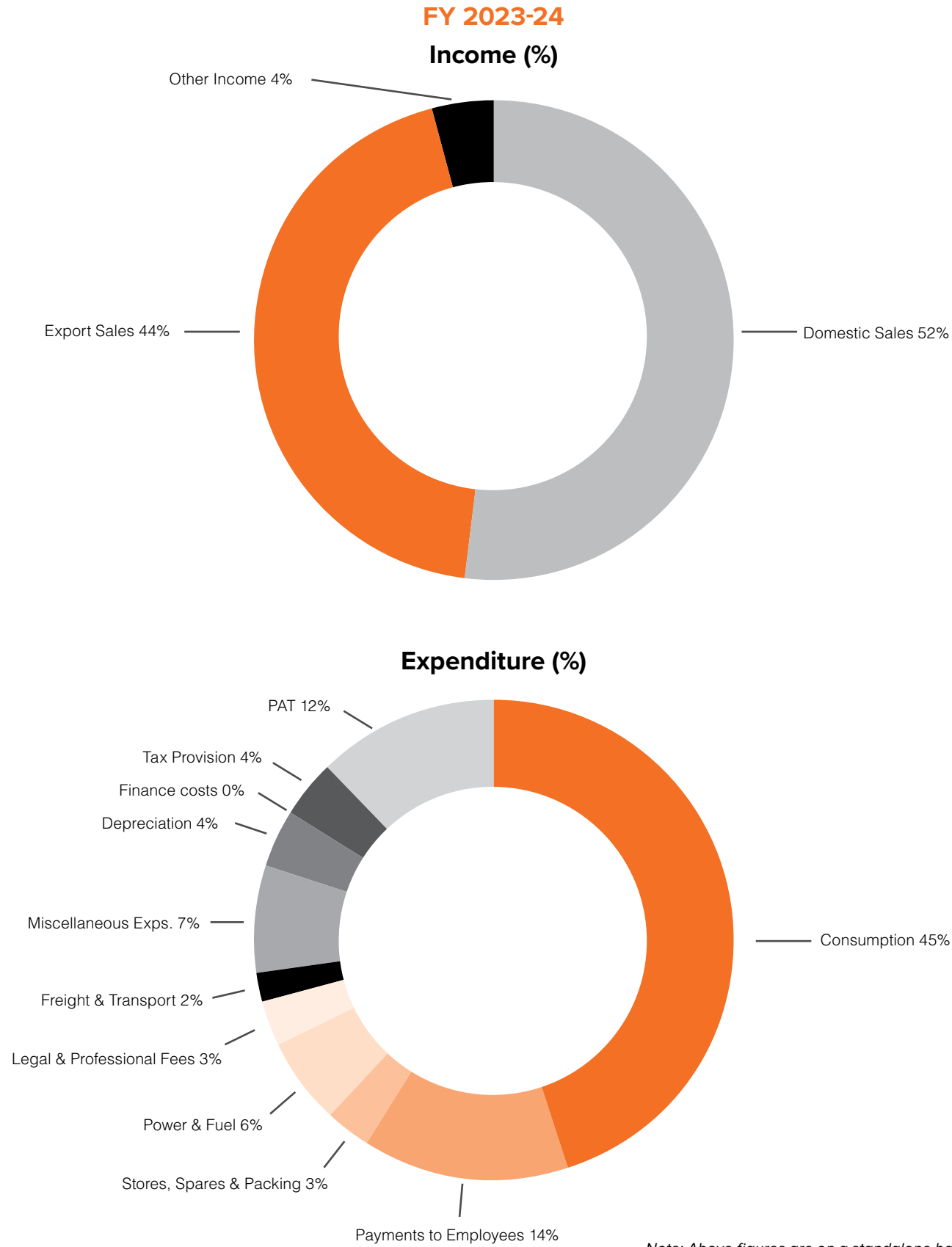
part of the year, contributing ₹ 0.14 crores.

**Food Distribution**

NFASL provided meals to underprivileged people in the surrounding area of its Dahej factory once a week for two months, at a cost of ₹ 0.41 lakh.



Mobile Medical Van at a village near Surat



### Highlights Of 10 year's Financial Performance on a Standalone Basis

₹ in crores

Particulars	IGAAP					Ind AS				
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>STATEMENT OF PROFIT &amp; LOSS</b>										
1 Total Income	573	661	792	977	990	1054	1208	1441	1669	1488
2 Profit before Depreciation, Interest, Exceptional Items and Tax	90	141	206	301	253	292	385	393	463	303
3 Exceptional Items	-	-	-	-	-	-	66	-	-	52
4 Finance Costs	(3)	(3)	(0)	(1)	(0)	(2)	(1)	(2)	(2)	(5)
5 Depreciation, Amortisation and Impairment	(19)	(21)	(28)	(38)	(26)	(34)	(41)	(44)	(43)	(58)
6 Profit Before Tax	68	117	177	262	227	257	410	347	418	292
7 Profit After Tax	49	86	133	179	148	400	299	266	312	235
8 Dividend (₹ per share) #	3.20	4.20	6.30**	10.00***	7.80	11.00	11.00	11.00	12.00	15.00****
9 Earning Per Share (EPS) ₹ #	10.11	17.69	27.10	36.34	30.05	80.83	60.46	53.79	63.05	47.44
<b>BALANCE SHEET</b>										
10 Equity Share Capital	9.77	9.79	9.79	9.87	9.89	9.90	9.90	9.91	9.91	9.91
11 Net Fixed Assets	270	282	473	340	363	452	440	454	622	718
12 Investments	234	266	316	522	527	296	450	619	736	1154
13 Current Assets (net)	143	151	56	132	199	622	777	809	814	931
14 Capital Employed	648	699	844	994	1089	1370	1667	1882	2141	2341
15 Borrowings	45	30	-	-	-	-	-	-	-	40
16 Net Worth	571	634	824	970	1059	1389	1650	1864	2141	2302
17 Book value of share of ₹ 2.00 each (₹) # (15 / No. of shares)	116.92	129.46	168.21	196.55	214.17	280.68	333.33	376.21	431.90	464.32
18 Debt / Equity ratio (15 / 16)	0.08	0.05	-	-	-	-	-	-	-	0.02
19 EBITDA (%) (2 / 1)	16%	21%	26%	31%	26%	28%	32%	27%	28%	20%
20 Profit After Tax (%) (7 / 1)	9%	13%	17%	18%	15%	38%	25%	18%	19%	16%
21 Return on Net Worth (%) (PAT / Avg. of opening & closing net worth)	9%	14%	18%	20%	15%	33%	20%	15%	16%	11%
22 Return on Capital Employed (%) ((PBT + Finance Costs) / Avg. of opening & closing Capital Employed)	11%	18%	22%	29%	22%	21%	23%	20%	21%	13%
<b>OPERATING RATIOS</b>										
23 Operating EBITDA (%) (EBITDA - Other Income) / Revenue from Operations	12%	18%	20%	24%	23%	26%	27%	25%	26%	17%
24 Operating PBT (%) (PBT - Other Income) / Revenue from Operations	8%	14%	16%	19%	20%	22%	24%	22%	23%	12%
25 Return on Capital Employed (%) - Operating ((EBIT - Other Income) / Operating Capital Employed) @	10%	23%	22%	34%	32%	30%	30%	30%	28%	13%

Figures from 2016-17 to 2023-24 are as per Ind AS and for earlier periods as per IGAAP and hence not directly comparable

# At the 19<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> June, 2017, Members had passed Resolution approving sub-division of shares in the ratio of 5 Equity Shares of ₹ 2/- each for every 1 Equity Share of ₹ 10/- each. The record date for the aforesaid sub-division was 20<sup>th</sup> July 2017. The figures for the period 2013-14 to 2015-16 have been calculated based on the face value of ₹ 2/- per equity share, to make the numbers comparable.

\*\* including special dividend of ₹ 1.50

\*\*\* including special dividend of ₹ 3/-

\*\*\*\* including special dividend of ₹ 3/- to commemorate the centenary birth year of the Company's founder Shri. Arvind N. Mafatali, for the Financial Year 2023-24.

@ Operating Capital Employed = Shareholders fund + Borrowings - Investment Properties - Investments - Cash and Bank balances

## Notice of the 26<sup>th</sup> Annual General Meeting

**NOTICE** is hereby given that the 26<sup>th</sup> Annual General Meeting ('AGM') of the Members of Navin Fluorine International Limited ('the Company') will be held on Thursday, August 01, 2024 at 3.00 P.M. (IST) through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the Annual Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 along with the notes forming part thereof and the Report of the Board and the Auditors thereon
- To declare final dividend of ₹7/- per Equity Share for the financial year 2023-24
- To not fill the vacancy caused by the retirement of Mr. Mohan M. Nambiar (DIN: 00046857), Non-Executive Non-Independent Director, who retires by rotation and in this regard, to consider and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder and the Articles of Association of the Company, as amended from time to time, approval be and is hereby accorded for not filling the vacancy caused by the retirement of Mr. Mohan M. Nambiar (DIN: 00046857), Non-Executive Non-Independent Director, who is liable to retire by rotation at this Annual General Meeting, and though eligible for re-appointment, does not offer himself for re-appointment as Director."

### SPECIAL BUSINESS:

- To appoint Mr. Nitin G. Kulkarni (DIN: 03042587) as Director of the Company and in this regard, to consider and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Mr. Nitin G. Kulkarni (DIN: 03042587), who has been appointed by the Board of Directors as

an Additional Director of the Company with effect from June 24, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and in respect of whom the Company has received notices in writing from Members under Section 160 of the Act, proposing his candidature as a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

- To appoint Mr. Nitin G. Kulkarni (DIN: 03042587) as Managing Director of the Company and in this regard, to consider and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder ('the Act'), Schedule V of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, as amended from time to time, Mr. Nitin G. Kulkarni (DIN: 03042587) be and is hereby appointed as the Managing Director of the Company for 5 (five) consecutive years commencing from June 24, 2024 to June 23, 2029, liable to retire by rotation, on the terms and conditions (including remuneration), as mentioned in the letter of appointment dated June 03, 2024 and Explanatory Statement annexed to this Resolution.

RESOLVED FURTHER THAT the Board of Directors may alter or vary the terms of appointment, salary, perquisites and commission payable in such manner as the Board in its discretion deems fit and is acceptable to Mr. Kulkarni provided that such alterations are within the overall limits of managerial remuneration as specified in Section 197 of the Act and Schedule V to the Act.

RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

- To appoint Mr. Abhijit J. Joshi (DIN: 07115673) as Independent Director of the Company and in this regard, to consider and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder ('the Act'), Schedule IV of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Articles of Association of the Company, as amended from time to time, Mr. Abhijit J. Joshi (DIN: 07115673), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from May 07, 2024 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and who satisfies the criteria of independence as specified in the Act and SEBI Listing Regulations, and in respect of whom, the Company has received notices in writing from Members under Section 160 of the Act, proposing his candidature as a Director, be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from May 07, 2024 and ending on May 06, 2029, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

- To appoint Mr. Sunil S. Lalbhai (DIN: 00045590) as Non-Executive Non-Independent Director of the Company and in this regard, to consider and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Mr. Sunil S. Lalbhai (DIN: 00045590), who has been appointed by the Board of Directors as an Additional Director of the Company with effect from June 25, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and in respect of whom the Company has received notices in writing from Members under Section 160 of the Act,

proposing his candidature as a Director, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

- To ratify remuneration of B. Desai & Co. (Firm Registration No. 005431), Cost Auditors of the Company for Financial Year 2024-25 and in this regard, to consider and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, as amended from time to time, payment of remuneration of ₹5,50,000/- (INR Five Lakhs and Fifty Thousand only) and reimbursement of out-of-pocket expenses incurred for the purpose of cost audit and applicable taxes, to B. Desai & Co. (Firm Registration No. 005431), Cost Auditors, for conducting the audit of Cost Records relating to the chemical products manufactured by the Company for the financial year from April 01, 2024 to March 31, 2025, be and is hereby ratified."

- To approve raising of funds not exceeding ₹750 Crores and in this regard, to consider and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c), 71, 179 and other applicable provisions of the Companies Act, 2013 ('Companies Act'), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules and regulations framed thereunder (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) ('ICDR Regulations') and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), and in accordance with the provisions of the Memorandum and

Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), to the extent applicable, the listing agreement(s) entered into by the Company with the stock exchanges on which the equity shares having face value of ₹2 each of the Company ('Equity Shares') are listed, the provisions of the Foreign Exchange Management Act, 1999, (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), ('FEMA'), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), and Foreign Exchange Management (Debt Instruments) Regulations, 2019, (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), the current Consolidated FDI Policy (effective from October 15, 2020), (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ('GOI'), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares through (Depository Receipt Mechanism) Scheme, 1993, (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force) ('FCCB Scheme') and the Depository Receipts Scheme, 2014 ('GDR Scheme') and all other applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force) from time to time, issued by GOI, Ministry of Corporate Affairs ('MCA'), the Reserve Bank of India ('RBI'), BSE Limited and National Stock Exchange of India Limited ('Stock Exchanges'), the Securities and Exchange Board of India ('SEBI'), the Registrar of Companies, Maharashtra at Mumbai and/ or any other regulatory/ statutory authorities, in India or abroad from time to time, (hereinafter singly or collectively referred to as the 'Appropriate Authorities') to the extent applicable and subject to such approvals, permits, consents and sanctions, if any, of any Appropriate Authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of

the Company (hereinafter referred to as the 'Board' which term shall include any committee thereof which the Board may have duly constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution), the consent, authority and approval of the members be and is hereby accorded to create, offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, for such part of issue and for such categories of persons as may be permitted by applicable law) with or without green shoe option, such number of Equity Shares, Global Depository Receipts ('GDRs'), American Depository Receipts ('ADRs'), Foreign Currency Convertible Bonds ('FCCBs') and / or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/ or convertible preference shares or any security convertible into Equity Shares (hereinafter referred to as 'Securities'), or any combination thereof, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of domestic and / or international offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the book running lead manager(s) and/ or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹750 Crores (INR Seven Hundred and Fifty Crore only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under applicable law by way of public issue, preferential allotment, private placement, including one or more qualified institutional placement of Equity Shares ('QIP') in accordance with the provisions of Chapter VI of the ICDR Regulations, or through any other permissible mode and/ or combination thereof as may be considered appropriate under applicable law, to such investors who may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers ('QIBs') (as defined in the ICDR Regulations), foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, qualified foreign investors, Indian and/ or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/ or any other categories of investors, whether or not such investors are members of the Company, to all or any of them, jointly or severally through an offer/placement document and/ or other letter or circular ('Offering Circular') as may be

deemed appropriate, in the sole discretion by the Board in such manner and on terms and conditions, including the terms of the issuance, security, fixing of record date, and at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable law and/ or as may be permitted by Appropriate Authorities with authority to retain oversubscription up to such percentage as may be permitted under applicable regulations, in such manner and on such terms as may be deemed appropriate by the Board at its absolute discretion (the 'Issue') at the time of such issue and allotment considering the prevailing market conditions and other relevant factors and without requiring any further approval or consent from the shareholders.

RESOLVED FURTHER THAT:

- (a) the Securities proposed to be issued, offered and allotted shall be fully paid up and in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company, the Companies Act and other applicable laws;
- (b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects including entitlement to dividend and voting rights, if any, from the date of allotment thereof and the same be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- (c) the number and/ or price of the Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalization of profits or reserves or any such capital or corporate re-organisation or restructuring;

RESOLVED FURTHER THAT in the event the proposed issuance of Securities is undertaken by way of a QIP in terms of Chapter VI of the ICDR Regulations:

- (a) the allotment of Securities shall only be made to Qualified Institutional Buyers as defined in the SEBI ICDR Regulations ('QIBs');
- (b) the allotment of the Equity Shares, or any combination of Securities, as may be decided by the Board, shall be completed within 365 days from the date of passing of this special resolution or such other time as may be allowed under the ICDR Regulations, Companies Act, and/ or applicable laws;
- (c) the Securities shall not be eligible to be sold by the allottee for a period of 365 days from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the ICDR Regulations;
- (d) in the event that convertible securities and/ or warrants which are convertible into Equity Shares of the Company are issued along with non-convertible debentures to QIBs under Chapter VI of the ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board or a duly authorized committee thereof decides to open the issue of such convertible securities and/ or warrants or any other date in accordance with applicable law, and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations;
- (e) the relevant date for the purpose of pricing of the Securities shall be the date of the meeting in which the Board decides to open the QIP or any other date in accordance with applicable law, and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations;
- (f) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the ICDR Regulations;
- (g) no single allottee shall be allotted more than 50% of the proposed QIP size and the minimum number of allottees shall not be less than two (in case the issue size is less than or equal to ₹250 crores) or

five (in case the issue size is more than ₹250 crores), as applicable, or in a manner as may be prescribed from time to time under the ICDR Regulations;

- (h) no partly paid-up Equity Shares or other Securities shall be issued/allotted;
- (i) no allotment shall be made, either directly or indirectly, to any person who is a promoter or any person related to promoters in terms of the ICDR Regulations; and
- (j) the Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed in the ICDR Regulations, from the date of prior QIP made pursuant to one or more special resolutions.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, or ADRs/GDRs, the relevant date for the purpose of pricing the Securities shall be determined in accordance with the FCCB Scheme and the ADR / GDR Scheme, as the case may be (including any amendments thereto or re-enactment thereof, for the time being in force) or in accordance with any other applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities or Equity Shares on conversion of Securities, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities or Equity Shares as the case may be, on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by SEBI/ Stock Exchanges where the shares of the Company are listed or such other appropriate authorities at the time of according/granting their approvals to issue, allotment and listing thereof and as agreed to by the Board.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of Appropriate Authorities including any conditions as may be prescribed in granting such approval or permissions

by such Appropriate Authorities, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per applicable law and prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion, in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed in accordance with applicable law.

RESOLVED FURTHER THAT for the purpose of giving effect to the Issue, the Board be and is hereby authorized, on behalf of the Company, inter alia, to approve the draft as well as final offer document(s), and any addenda or corrigenda thereto, as applicable, and file/submit the same with any applicable regulatory authorities or agencies (as may be required), to determine the form and manner of the Issue and take such steps and to do all such acts, deeds, matters and things as it may be considered necessary, desirable or expedient including to resolve and settle any questions and difficulties that may arise in connection with the proposed creation, offer, issue and allotment of the Securities (including in relation to the issue of such Securities in one or more tranches from time to time), to identify the class of the investors to whom the Securities are to be offered and to approve the utilization of the issue proceeds, in accordance with applicable law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint /engage book running lead manager(s), underwriters, intermediaries, depositories, custodians, registrars, bankers, lawyers, advisors, escrow agents, credit rating agencies, debenture trustees, guarantors, stabilizing agents, and all such persons/ agencies as are or may be required to be appointed, involved or concerned in such Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with the book running lead managers, underwriters, advisors and/or other persons as appointed by the Company, be and is hereby authorized to determine the form and terms of the Issue, including the class of investors to whom the eligible Securities are to be allotted, number of eligible Securities to be allotted in each tranche, issue price (including premium, if any), face value, premium amount on issue, number of eligible Securities, the price, premium or discount on issue, fixing of record date or book closure and related or incidental matters, listing on one or more stock exchanges in India and/or abroad, as the Board in its absolute discretion deems fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to constitute and delegate (to the extent permitted by law) all or any of the powers herein conferred by this resolution to any committee of Directors or any Director(s) or any Key Managerial Personnel of the Company, in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as

they may consider necessary, desirable or expedient and deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in regard to the Issue.”

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Niraj B. Mankad**  
**President Legal and Company Secretary**  
**Membership No.: ACS 9727**

Date: June 29, 2024  
Place: Mumbai

**Registered Office:**  
Office No. 602, 6<sup>th</sup> 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 ID: info@nfil.in; Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT

The following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 9 of the accompanying Notice of AGM:

#### Item No. 3

#### Not filling the vacancy caused by the retirement of Mr. Mohan M. Nambiar (DIN: 00046857), Non-Executive Non-Independent Director, who retires by rotation:

At the 24<sup>th</sup> Annual General Meeting held on July 27, 2022, the Members of the Company re-appointed Mr. Mohan M. Nambiar (DIN: 00046857) as Non-Executive Non-Independent Director of the Company pursuant to the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, notwithstanding that he had attained the age of 75 years. Mr. Mohan M. Nambiar was initially appointed on the Board of the Company w.e.f. March 03, 2003.

In terms of the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Nambiar is liable to retire by rotation at this Annual General Meeting, and is eligible for re-appointment, but does not offer himself for re-appointment as Director as due to his age, he has chosen to gradually reduce his engagements.

The Company places on record its appreciation for the invaluable services rendered and guidance provided by Mr. Nambiar during his tenure with the Company of more than 21 years.

It is proposed not to fill the vacancy caused by the retirement of Mr. Nambiar and accordingly, the Board of Directors recommends passing of the Ordinary Resolution at Item No. 3 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, are in anyway deemed to be concerned or interested in the Resolution.

#### Item No. 4

#### Appointment of Mr. Nitin G. Kulkarni (DIN: 03042587) as Director of the Company:

Pursuant to the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors, at its

Meeting held on June 03, 2024, appointed Mr. Nitin G. Kulkarni (DIN: 03042587) as an Additional Director of the Company to hold office w.e.f. June 24, 2024 up to the date of this Annual General Meeting. In this regard, Mr. Kulkarni has consented to his appointment and the Company has received declarations from Mr. Kulkarni, inter-alia, confirming that he is eligible and does not suffer from any disqualifications for his appointment as Director. He has not been debarred from holding the office of Director by virtue of any SEBI order or any other such Authority. The Company has received notices from Members under Section 160 of the Act, proposing his appointment as a Director. Brief Profile of Mr. Kulkarni and other relevant details are furnished in the Annexure which forms part of this Notice.

Having regard to qualification, knowledge and extensive experience of Mr. Kulkarni, his appointment on the Board of the Company as Director will be in the interest of the Company and accordingly, the Board of Directors recommends passing of the Ordinary Resolution at Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Kulkarni, are in anyway deemed to be concerned or interested in the Resolution.

#### Item No. 5

#### Appointment of Mr. Nitin G. Kulkarni (DIN: 03042587) as Managing Director of the Company:

Pursuant to the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on June 03, 2024, appointed Mr. Nitin G. Kulkarni (DIN: 03042587) as an Additional Director of the Company to hold office w.e.f. June 24, 2024 up to the date of this Annual General Meeting. Mr. Kulkarni was also appointed as Managing Director and Key Managerial Personnel of the Company for a term of 5 (five) consecutive years commencing from June 24, 2024 and ending on June 23, 2029, subject to approval of the Members of the Company, liable to retire by rotation. In this regard, Mr. Kulkarni has consented to his appointment and the Company has received declarations from Mr. Kulkarni, inter-alia, confirming that he is eligible and does not suffer from any disqualifications for his appointment as Director and Managing Director, and meets the criteria for appointment as Managing Director as prescribed under the Act. He has not

been debarred from holding the office of Director by virtue of any SEBI order or any other such Authority.

Brief profile of Mr. Kulkarni and other relevant details are furnished in the Annexure which forms part of this Notice.

Proposed appointment of Mr. Kulkarni is based on the terms and conditions as mentioned in the letter of appointment dated June 03, 2024, which is subject to approval of Members, and includes the following:

Sr. No.	Remuneration	Amount
I (a)	<b>Basic Salary</b>	₹ 1.55 Crores per annum
(b)	<b>Perquisites and Allowances</b>	The aggregate monetary value of which shall not exceed ₹2.53 Crores per annum. These Perquisites and Allowances would be in addition to the items mentioned in clause 'c', 'd', 'e' and 'f' below:
(c)	<b>Additional Perquisites</b>	(i) Fully furnished house or House Rent not exceeding ₹0.78 Crores per annum in lieu thereof. (ii) Mediclaim Policy, Personal Accident Insurance, Leave Travel Concession and Club Membership Fees as per the Rules of the Company. Perquisites shall be valued as per Income Tax Rules, wherever applicable and in absence of any such Rules, perquisites shall be valued at actual cost.
(d)	<b>(i) Contribution to: Provident Fund, Annuity Fund or Superannuation Fund</b>	As per the Rules of the Company.
	<b>(ii) Gratuity payable</b>	At the rate not exceeding half a month's salary for each completed year of service.
	<b>(iii) Encashment of leave at the end of the tenure</b>	As per Rules of the Company.
(e)	<b>Apart from remuneration, Mr. Kulkarni will be entitled to:</b>	(i) Free use of the Company's car for the business of the Company with reimbursement of driver's salary. (ii) Free telephone facility at residence and use of mobile phone facility. (iii) Reimbursement of expenses actually and properly incurred by him for the business of the Company.
(f)	<b>Stock Options under the Employees' Stock Option Schemes of the Company</b>	At market price viz. the latest available closing price on the Stock Exchange (on which the equity shares of the Company are listed) having higher trading volume on the date immediately prior to the date of the meeting in which the grant is made.
II.	<b>Commission</b>	Up to 1% of the annual net profits of the Company, as may be decided by the Board, at the end of each financial year during his tenure, computed in the manner laid down in Section 198 of the Act subject to the ceiling laid down in Section 197 of the Act on the total remuneration.
III.	<b>Minimum remuneration in case of absence / inadequacy of profits</b>	In case of absence or inadequacy of profits in any financial year of the Company during June 24, 2024 to June 23, 2029, Mr. Kulkarni will be entitled to such salary, perquisites and allowances as the minimum remuneration, subject to such approvals as may be required under Schedule V to the Act. The perquisites mentioned in Para I(d) above shall not be included in the computation of the ceiling on minimum remuneration.
IV.	<b>No Sitting Fees</b>	Mr. Kulkarni shall not be entitled to receive any sitting fees for attending the Meetings of the Board of Directors or any Committees thereof.

The Board may alter or vary the above referred terms of appointment, salary, perquisites and commission payable in such manner as the Board in its discretion deems fit and is acceptable to Mr. Kulkarni provided that such alterations are within the overall limits of managerial remuneration as specified in Section 197 of the Act and Schedule V to the Act, as amended from time to time.

Having regard to qualifications, knowledge and extensive experience of Mr. Kulkarni, his appointment on the Board of the Company as Managing Director will be in the interest

of the Company. A copy of the letter of appointment of Mr. Kulkarni as referred to above, which is subject to approval of the Members of the Company, is available for inspection by the Members. Members seeking to inspect the same can send an email to investor.relations@nfil.in. The Board of Directors recommends passing of the Ordinary Resolution at Item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Kulkarni, are in anyway deemed to be concerned or interested in the Resolution.

#### Item No. 6

##### **Appointment of Mr. Abhijit J. Joshi (DIN: 07115673) as Independent Director of the Company:**

Pursuant to the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 07, 2024, appointed Mr. Abhijit J. Joshi (DIN: 07115673) as an Additional Director of the Company to hold office up to the date of this Annual General Meeting. Mr. Joshi was also appointed as Independent Director of the Company for a term of 5 (five) consecutive years commencing from May 07, 2024 and ending on May 06, 2029, subject to approval of the Members of the Company, not liable to retire by rotation. In this regard, Mr. Joshi has consented to his appointment and the Company has received declarations from Mr. Joshi, inter-alia, confirming that he is eligible and does not suffer from any disqualifications for his appointment as Director and Independent Director, and meets the criteria of independence as prescribed under Section 149 of the Act and SEBI Listing Regulations. He has not been debarred from holding the office of Director by virtue of any SEBI order or any other such Authority. Accordingly, in the opinion of the Board, he fulfils the conditions for appointment as Independent Director and he is independent of the Management.

The Company has received notices from Members under Section 160 of the Act proposing his appointment as a Director. Brief Profile of Mr. Joshi and other relevant details are furnished in the Annexure which forms part of this Notice.

A copy of the letter of appointment of Mr. Joshi, which is subject to approval of the Members of the Company, is available for inspection by the Members. Members seeking to inspect the same can send an email to investor.relations@nfil.in.

Having regard to qualifications, knowledge and extensive experience of Mr. Joshi, his appointment on the Board of the Company as an Independent Director will be in the interest of the Company and accordingly, the Board of Directors recommends passing of the Special Resolution at Item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Joshi, are in anyway deemed to be concerned or interested in the Resolution.

#### Item No. 7

##### **Appointment of Mr. Sunil S. Lalbhai (DIN: 00045590) as Non-Executive Non-Independent Director of the Company:**

At the 21<sup>st</sup> Annual General Meeting held on June 21, 2019, the Members of the Company appointed Mr. Sunil S. Lalbhai (DIN: 00045590) as Independent Director of the Company for a second term of 5 (five) consecutive years commencing June 25, 2019 to June 24, 2024. Mr. Lalbhai's term as an Independent Director ended on June 24, 2024.

Pursuant to the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, and based on the recommendations of Nomination and Remuneration Committee, the Board of Directors of the Company, at its Meeting held on May 07, 2024, appointed Mr. Lalbhai as an Additional Director of the Company to hold office up to the date of this Annual General Meeting. Mr. Lalbhai was also appointed as Non-Executive Non-Independent Director of the Company, subject to approval of the Members of the Company, liable to retire by rotation. In this regard, Mr. Lalbhai has consented for his appointment and confirmed that he is eligible and does not suffer from any disqualifications for his appointment as Director. He has not been debarred from holding the office of Director by virtue of any SEBI order or any other such Authority. The Company has received notices from Members under Section 160 of the Act proposing his appointment as a Director. Brief Profile of Mr. Lalbhai and other relevant details are furnished in the Annexure which forms part of this Notice.

Having regard to qualifications, knowledge, domain expertise and extensive experience of Mr. Lalbhai, his appointment on the Board of the Company as Non-Executive Non-Independent Director will be in the interest of the Company. Accordingly, the Board of Directors recommends passing of the Ordinary Resolution at Item No. 7 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Lalbhai and his relatives, are in any way concerned or interested in the Resolution.

#### Item No. 8

##### **Ratification of remuneration of B. Desai & Co. (Firm Registration No. 005431), Cost Auditors of the Company for Financial Year 2024-25:**

The Company is required to appoint a Cost Auditor for conducting the Cost Audit of the cost records of Chemical Products manufactured by the Company pursuant to Section 148(2) and 148(3) of the Act read with The Companies (Cost Records and Audit) Rules, 2014.

Based on the receipt of consent letter and eligibility certificate and upon recommendations of the Audit Committee, the Board of Directors of the Company has approved the appointment of B. Desai & Co. (Firm Registration No.: 005431), Cost Accountants, as the Cost Auditors of the Company for conducting the Cost Audit of the cost records of Chemical Products manufactured in the Financial Year from April 01, 2024 to March 31, 2025 on a remuneration of ₹5,50,000/- (INR Five Lakhs and Fifty Thousand only) and reimbursement of out-of-pocket expenses incurred for the purpose of Cost Audit and applicable taxes, subject to ratification of such remuneration by the Members of the Company.

As per Section 148(3) of the Act read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014, remuneration of the Cost Auditors shall be ratified by the Members of the Company. Accordingly, the Board of Directors recommends passing of the Ordinary Resolution at Item No. 8 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are in any way deemed to be concerned or interested in this Resolution.

#### Item No. 9

##### **Raising of funds not exceeding ₹750 Crores:**

At the 25<sup>th</sup> Annual General Meeting held on July 31, 2023, the Members of the Company had passed a Special Resolution approving fund raising not exceeding ₹750 crores by way of issuance of equity shares or any other instruments or securities through qualified institutional placement / private placement / public issue / preferential issue or through any other permissible mode or combination thereof, which is valid for 365 days from the date of passing of the Special Resolution i.e. upto July 30, 2024.

The Board of Directors of the Company ('Board') at their Meeting held on June 29, 2024 passed a Resolution approving fund raising not exceeding ₹750 crores by way of issuance of equity shares or any other instruments or securities through qualified institutional placement / private placement / public issue / preferential issue or through any other permissible mode or combination thereof, subject to approval of the shareholders, in order to fulfill the below mentioned objects.

The Company continues to anticipate growth opportunities in its existing operations and continues to evaluate various avenues for organic expansion and achieving inorganic growth. Towards this, the Company continues to require capital for achieving such growth and expansion. Accordingly, the Company intends to undertake a capital raise by way of public or private offerings including one or more qualified institutional placement to eligible investors through an issuance of equity

shares or other eligible securities and use the proceeds from the Issue, towards inter alia, capital expenditure, the pre-payment and / or repayment of debts of the Company or its subsidiaries(s), working capital requirements of the Company or its subsidiaries(s), investment in the subsidiaries(s) and general corporate purposes.

Accordingly, it is hereby proposed to have an enabling approval for raising funds by way of issuance of equity shares of face value ₹2 ('Equity Shares'), Global Depository Receipts ('GDRs'), American Depository Receipts ('ADRs'), Foreign Currency Convertible Bonds ('FCCBs') and / or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/ or convertible preference shares or any security convertible into Equity Shares (all of which are hereinafter collectively referred to as 'Securities') or any combination thereof, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of domestic and / or international offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the book running lead manager(s) and/or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹750 crore (INR Seven Hundred and Fifty Crore only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under applicable law by way of public issue, preferential allotment, private placement, including one or more Qualified Institutional Placement of Equity Shares ('QIP') in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) ('ICDR Regulations'). The issue of Securities may be at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable law and to such classes of investors as the Board (including any duly authorized committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with book running lead manager(s) and other agencies that may be appointed by the Company, subject to the ICDR Regulations, Companies Act, 2013 and other applicable laws.

The Board (including any duly authorized committee thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the members of the Company. The proposed issue of capital is subject to, inter alia, the applicable statutes,



rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, the BSE Limited and National Stock Exchange of India Limited ('Stock Exchanges'), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies, Maharashtra at Mumbai, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time, as may be required in this regard domestically or internationally.

In case the Issue is made through a qualified institutional placement:

- (a) the allotment of Securities shall only be made to qualified institutional buyers ('QIBs') as defined under ICDR Regulations;
- (b) the Special Resolution enables the Board to issue Securities for an aggregate consideration not exceeding ₹750 crore (INR Seven Hundred and Fifty Crore only) or its equivalent in any foreign currency;
- (c) the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution in accordance with the ICDR Regulations and applicable laws;
- (d) a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;
- (e) the Company shall utilise at least 75% of the proceeds from the Issue (after adjustment of expenses related to the Issue, if any) ('Net Proceeds') towards, inter alia, capital expenditure, the pre-payment and / or repayment of debts of the Company or its subsidiaries(s), working capital requirements of the Company or its subsidiaries(s), investment in the subsidiaries(s), of the Company in accordance with applicable laws, regulations, rules and guidelines. The price at which Securities shall be allotted in the Issue shall not be less than the price determined in accordance with the ICDR Regulations;
- (f) the price will be calculated as per the formula prescribed under the ICDR Regulations;
- (g) the 'relevant date' for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised committee decides to open the proposed QIP of equity shares as eligible securities; and in case

eligible securities are eligible convertible securities, then either the date of the meeting in which the Board or a duly authorized committee of the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for the equity shares as provided under the ICDR Regulations;

- (h) the equity shares of the same class, which are proposed to be allotted through QIP or pursuant to conversion or exchange of eligible securities offered through QIP have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;
- (i) the Company shall be eligible to make a QIP if any of its promoters or directors is not a fugitive economic offender;
- (j) the Promoters, member of the Promoter group, Directors and Key Managerial Personnel of the Company will not subscribe to the QIP;
- (k) no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the ICDR Regulations. It is clarified that QIBs belonging to the same group or who are under same control shall be deemed to be a single allottee;
- (l) the Securities to be offered and allotted shall be in dematerialized form and shall be allotted on fully paid-up basis;
- (m) the Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time;
- (n) the schedule of the QIP will be as determined by the Board or its duly authorized committee; and
- (o) the Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at this meeting.

Further, Section 62(1)(c) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, to any persons other than the existing members of the company, such issuance shall be subject to a special resolution. Since the special resolution proposed may result in the issuance of Equity Shares of the Company to the existing members of the Company and to persons other than existing members of the

Company, approval of the members of the Company is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of ICDR Regulations.

In terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Companies Act, 2013 only after receipt of prior approval of its members by way of a Special Resolution. Consent of the members would therefore be necessary pursuant to the aforementioned provisions of the Companies Act, 2013 read with applicable provisions of the ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for issuance of Securities. The Equity Shares allotted pursuant to the issue shall rank in all respects pari passu with the existing Equity Shares of the Company.

The Equity Shares to be allotted would be listed on the Stock Exchanges. The offer/issue/allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations, including Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/ or re-enactment(s) thereof ('FEMA'), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Debt Instruments) Regulations, 2019. As and when the Board

does take a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Board of Directors recommends passing of the Special Resolution at Item No. 9 of the Notice.

None of the Directors, Key Managerial Personnel and/ or their relatives are in any way concerned or interested in the Resolution.

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Niraj B. Mankad**  
**President Legal and Company Secretary**  
**Membership No.: ACS 9727**

Date: June 29, 2024

Place: Mumbai

**Registered Office:**

Office No. 602, 6<sup>th</sup> 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 ID: info@nfil.in; Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

**Brief Profile of the Directors seeking appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India**

Name	Mr. Nitin G. Kulkarni	Mr. Abhijit J. Joshi	Mr. Sunil S. Lalbhai
Age	53 years	55 years	64 years
Director's Identification Number	03042587	07115673	00045590
Date of first appointment	June 24, 2024	May 07, 2024	March 03, 2003
Brief Resume – Qualification	Masters in Organic Chemistry from the University of Mumbai	B. Com, LLB and dual qualified Solicitor (in India and England)	Science graduate, M.S. in Chemistry from USA and M.S. in Economic Planning & Policy from Boston University, USA
Expertise in Specific Functional Areas	Mr. Kulkarni has over three decades of rich experience (including working with Navin Fluorine International Limited for 7 years) across the specialty chemicals value chain, specifically covering fluoro-chemicals and CDMO.	Mr. Joshi is Founding and Managing Partner of Veritas Legal, Mumbai and is recognised as a leading corporate lawyer having an experience of over 30 years in the legal field including representing global conglomerates and large private equity houses on numerous complex deals and cases.	Mr. Lalbhai is an experienced industrialist with over 34 years of experience in Chemicals and General Management.
Terms and Conditions of appointment along with details of remuneration sought to be paid and last drawn remuneration	Terms and Conditions are as per the Letter of Appointment. Details of proposed remuneration payable to Mr. Kulkarni are mentioned in the Explanatory Statement. No remuneration was paid to Mr. Kulkarni and hence the details of last drawn remuneration are not applicable.	Terms and Conditions are as per the Letter of Appointment. Mr. Joshi will not be paid any remuneration other than sitting fees for attending meetings of the Board and Committees thereof of which he will be a Member/ Chairman and for attending the meetings of Independent Directors and commission which may be approved by the Board of Directors. No remuneration was drawn by him except ₹70,000/- as sitting fee for attending the Board Meetings held on and after his appointment.	Mr. Lalbhai will not be paid any remuneration other than sitting fees for attending meetings of the Board and Committees thereof of which he is a Member/ Chairman and commission which may be approved by the Board of Directors. The remuneration paid to him during the financial year ended March 31, 2024 is mentioned in the Corporate Governance Report.
In case of Independent Directors – the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	His qualification, skills, experience and expertise in the legal field (including advisory role in the corporate deals such as M&A) will benefit the Company.	Not Applicable
Other Directorships	Navin Fluorine Advanced Sciences Limited	Step up Charitable Foundation	<ul style="list-style-type: none"> <li>The Bombay Dyeing and Manufacturing Company Limited</li> <li>Amal Limited</li> <li>Pfizer Limited</li> <li>Atul Limited</li> <li>Atul Rajasthan Date Palms Limited</li> <li>Atul Bioscience Limited</li> <li>BAIF Institute for Sustainable Livelihoods and Development</li> </ul>
Listed entities from which he/she has resigned in the past three years	Nil	Nil	Nil

Name	Mr. Nitin G. Kulkarni	Mr. Abhijit J. Joshi	Mr. Sunil S. Lalbhai
Membership/ Chairmanship of Committees	<b>Navin Fluorine International Limited</b> <b>Chairman:</b> ESG Steering Committee <b>Member:</b> Risk Management Committee Fund Raising Committee	Nil	<b>Navin Fluorine International Limited</b> <b>Member:</b> Audit Committee Nomination and Remuneration Committee <b>Atul Limited</b> <b>Chairman:</b> Risk Management Committee <b>Member:</b> Stakeholders' Relationship Committee Corporate Social Responsibility Committee Investment Committee <b>The Bombay Dyeing and Manufacturing Company Limited</b> <b>Chairman:</b> Stakeholders' Relationship Committee <b>Member:</b> Nomination and Remuneration Committee Strategic Committee <b>Pfizer Limited</b> <b>Chairman:</b> Stakeholders' Relationship Committee Risk Management Committee <b>Member:</b> Audit Committee <b>Atul Bioscience Limited</b> <b>Member:</b> Nomination and Remuneration Committee <b>Amal Limited</b> <b>Member:</b> Nomination and Remuneration Committee
Disclosure of relationship with other Directors and Key Managerial Personnel	Mr. Kulkarni is not related to any of the Director or Key Managerial Personnel of the Company.	Mr. Joshi is not related to any of the Director or Key Managerial Personnel of the Company	Mr. Lalbhai is not related to any of the Director or Key Managerial Personnel of the Company
Shareholding in the Company held by him including shareholding as a beneficial owner	Nil	Nil	5,275 Equity Shares of ₹2/- each
Number of Board Meetings attended in the Financial Year 2023-24	Not Applicable	Not Applicable	Attended all 9 Meetings held

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Niraj B. Mankad**  
**President Legal and Company Secretary**  
**Membership No.: ACS 9727**

Date: June 29, 2024  
Place: Mumbai

**Registered Office:**  
Office No. 602, 6<sup>th</sup> 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 ID: info@nfil.in; Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

## NOTES:

- The Ministry of Corporate Affairs ('MCA') has, vide its circular dated September 25, 2023, allowed companies to convene Annual General Meeting ('AGM') through VC / OAVM till September 30, 2024 in accordance with relevant provisions of other applicable Circulars (collectively referred as 'MCA Circulars'). Accordingly, in compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the Members at a common venue. The deemed venue of the AGM shall be the Registered Office of the Company.
- A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since the AGM is being held in accordance with the MCA Circulars through VC / OAVM, the facility for appointment of proxies by the Members will not be available.
- As this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Hence, the Attendance Slip and Route Map for the venue of the Meeting are not annexed to this Notice.
- Members attending the AGM through VC / OAVM shall be reckoned for quorum as per Section 103 of the Act.
- All Members, including Institutional Investors, are encouraged to attend and vote at the AGM. An Institutional / Corporate Member is required to send a scanned document of the certified true copy of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [dmz@dmzaveri.com](mailto:dmz@dmzaveri.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) or uploaded by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-Voting' tab in their login.
- In compliance with MCA Circulars and SEBI Circular, dated October 07, 2023, the Annual Report for FY 2023-24 including the Notice of the AGM is being sent by electronic mode only to those Members whose e-mail addresses are registered with KFinTech/Depository Participants ('DPs'), unless any Member has requested for a physical

copy of the same. Members may note that the Annual Report for FY 2023-24 including the Notice of the AGM will also be available on the Company's website at [www.nfil.in/investor/annu\\_reports.html](http://www.nfil.in/investor/annu_reports.html), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

### DOCUMENTS RELATING TO NOTICE AND AGM:

- Explanatory Statement setting out material facts concerning the business in respect of Item Nos. 3 to 9 mentioned in the above Notice is annexed to the Notice.
- Brief profile of the Directors seeking appointment as per Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and duly notified by the Central Government is annexed to the Notice.
- Members seeking to inspect the Registers required to be maintained under the Act and all documents referred to in the Notice and Explanatory Statement can send an email to [investor.relations@nfil.in](mailto:investor.relations@nfil.in).

### DIVIDEND AND TDS THEREON:

- The final dividend of ₹7/- per equity share as recommended by the Board of Directors for the Financial Year 2023-24, if declared by the Members of the Company at this AGM, will be paid on or after August 07, 2024.
- Friday, July 05, 2024 is fixed as the Record Date for determining the eligibility of Members entitled for the payment of final dividend for the Financial Year 2023-24, if declared.
- In order to enable the Company to directly credit the dividend amount in the bank accounts:
  - Members holding shares in demat account are requested to update their Bank Account details with their respective DPs.
  - Members holding shares in physical form are requested to submit a covering letter, duly signed relevant ISR forms available at the web-link at <https://www.nfil.in/investor/downloads.html> and <https://ris.kfintech.com/clientservices/isc/isrforms.aspx> along with documents mentioned therein, to KFin Technologies Limited ('KFinTech'), Selenium Building, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032, India.

Pursuant to relevant SEBI Circulars, with effect from April 01, 2024, dividend shall be paid only through

electronic mode to members holding shares in physical form only if the folio is KYC compliant by updation of documents / details such as furnishing of mobile number, bank account details, specimen signature, in the forms as prescribed by SEBI and valid PAN linked to Aadhaar. In case physical folios are not updated with KYC details, with effect from April 01, 2024, the dividend shall be withheld and released only upon the updation of KYC.

- Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. TDS certificates regarding dividends declared in the past can be downloaded from <https://ris.kfintech.com/clientservices/tds/>

### UNCLAIMED DIVIDEND AND SHARES TRANSFERRED TO IEPF:

- Members are requested to note that pursuant to Section 125(1)(c) of the Act, dividend remaining unclaimed / unpaid for a period of 7 years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund ('IEPF') set up by the Central Government. The Company has already transferred the unclaimed / unpaid dividend declared during the financial year 2016-2017 to the said fund. Members who have so far not claimed the dividends paid thereafter are requested to make claim with the Company / KFinTech immediately.
- Pursuant to Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to IEPF. The Company has written to the concerned Members intimating them particulars of their equity shares due for transfer. These details are also available on the Company's website at <https://www.nfil.in/investor/unpaid.html>. Upon transfer, the Members will be able to claim these equity shares only from the IEPF Authority by making an online application in Web Form IEPF-5, the details of which are available on IEPF Authority's website [www.iepf.gov.in](http://www.iepf.gov.in).

### SHARES RELATED INFORMATION:

- Members who have not registered their e-mail addresses so far, are requested to register the same with KFinTech in case of physical holding and with the Depository through their DPs in respect of electronic holding.

- As per SEBI Circular dated January 25, 2022, Letter of Confirmation (LOC) has to be issued to Members for various Investors Service Requests in case of physical holdings. The LOC will be valid for 120 days from the date of its issue, within which the Member shall make a request to his/her DPs for dematerializing the underlying securities. In case the Member fails to submit the LOC within the aforesaid period, the shares shall be transferred to the Suspense Escrow Demat Account of the Company. The methodology for claiming these shares from the Suspense Escrow Demat Account shall be in accordance with SEBI guidelines dated December 30, 2022.
- Attention of the Members holding shares in physical form is drawn to SEBI circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2024/37 dated March 16, 2023 which mandates furnishing, inter alia, self-attested copy of Permanent Account Number (PAN), postal address, mobile number, bank account details, specimen signature, by submitting the specified forms to the Company/KFinTech and valid PAN linked to Aadhaar. The said Circular is available on Company's website at [www.nfil.in/investor/downloads.html](http://www.nfil.in/investor/downloads.html) along with relevant documents.**
- All Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details/update, e-mail ID/mandates/nominations/power of attorney/change of name/change of address/contact numbers etc. to their DPs with whom they are maintaining their demat accounts. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and KFinTech to provide efficient and better services. Members holding shares in physical form are requested to advise such changes to KFinTech.
- Members holding shares in physical form are requested to consider dematerializing their holding as share transfers cannot be effected in physical form with effect from April 1, 2019 pursuant to SEBI norms. Further, other service requests like, (i) issue of duplicate securities certificate, (ii) claim from unclaimed suspense account; (iii) renewal/exchange of securities certificate; (iv) endorsement; (v) sub-division / splitting of securities certificate; (vi) consolidation of securities certificates/ folios; (vii) transmission and (viii) transposition, will also be processed in electronic form only as per SEBI circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022. Details with respect to the same are available on the website of the Company at <https://www.nfil.in/investor/downloads.html>

21. As per Section 72 of the Act, Members are entitled to make nomination in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by duly submitting Form No. SH-13. Members holding shares in physical form may submit the same to KFinTech. Members holding shares in electronic form may submit the same to their respective DPs.

22. SEBI has mandated the submission of copy of Permanent Account Number (PAN) card by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the copy of PAN card to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to KFinTech.

**23. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOW:**

Pursuant to Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations, e-voting facility is being provided to the Members for all business to be transacted at the AGM. Members of the Company holding shares either in physical form or in dematerialised form as on Thursday, July 25, 2024 ("Cut-Off Date") are eligible to cast their votes. The voting rights of the Members shall be in proportion to their share in paid-up equity share capital as on the Cut-Off Date. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

Members may cast their votes using an electronic voting system prior to AGM ('remote e-voting'). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The Company has appointed Mr. Dharmesh M. Zaveri, of D. M. Zaveri & Co, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in a fair and transparent manner for the businesses to be transacted at the AGM.

Details of e-voting process are as under:

- i. The e-voting facility (remote e-voting and e-voting at the AGM) will be provided by NSDL.
- ii. The remote e-voting period commences on July 28, 2024 (9:00 a.m. IST) and ends on July 31, 2024 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.

iii. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

iv. A person who is not a Member as on the Cut-Off Date should treat this Notice of AGM for information purpose only.

v. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.

vi. An Institutional / Corporate Member is required to send a scanned document of the certified true copy of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [dmz@dmzaveri.com](mailto:dmz@dmzaveri.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) or uploaded by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

vii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on + 91 22 48867000 or send a request to Mr. Sanjeev Yadav at [evoting@nsdl.com](mailto:evoting@nsdl.com).

viii. As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-voting facility.

ix. The details of the process and manner for remote e-voting, attending AGM and e-voting at the AGM are explained below:

Step 1: Access to the NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-votingsystem(includingprocedureforattendingAGM through VC/OAVM)

**STEP 1: ACCESS TO NSDL E-VOTING SYSTEM:**

A. Login method for e-voting and joining virtual meeting for individual shareholders holding shares in demat mode:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>A. By NSDL IDeAS facility:</b></p> <p><b>If you are already registered, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Either on a personal computer or on a mobile, open web browser and visit the e-Services website of NSDL viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>.</li> <li>2. Once the home page of e-Services appears on the screen, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section.</li> <li>3. A new page will appear on the screen, you will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under value added services.</li> <li>4. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page.</li> <li>5. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual Meeting and e-voting during the Meeting.</li> </ol> <p><b>If you are not registered for IDeAS e-Services, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>.</li> <li>2. Select "Register Online for IDeAS Portal"</li> <li>3. Then please follow steps as mentioned in above points 1 to 5 of A.</li> </ol> <p><b>B. By visiting the e-voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>1. Either on a personal computer or on a mobile, open web browser and visit the website of NSDL viz. <a href="https://www.evoting.nsd.com">https://www.evoting.nsd.com</a></li> <li>2. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section.</li> <li>3. A new screen will open. You will have to enter your User ID (i.e. 'IN' followed by your fourteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>4. After successful authentication, you will be redirected to NSDL Depository website wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the Meeting</li> </ol> <p><b>C. Shareholders/Members can also download NSDL Mobile App "NSDL Speed-e" facility by scanning the QR code mentioned below for seamless voting experience</b></p> <p><b>NSDL Mobile App is available on</b></p>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p><b>A. By CSDL Easi / Easiest facility:</b></p> <p><b>If you are already registered, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Either on a personal computer or on a mobile, open web browser and visit <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi to login through your User ID and Password. Option will be made available to reach e-voting page without any further authentication.</li> <li>2. After successful login through Easi/Easiest the user will be able to see the e-voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> </ol> <p><b>If you are not registered for CSDL Easi / Easiest facility, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a></li> <li>2. After registration, please follow steps as mentioned in above points 1 to 2 of A.</li> </ol> <p><b>B. By visiting the e-voting website of CDSL:</b></p> <ol style="list-style-type: none"> <li>1. Either on a personal computer or on a mobile, open web browser and visit e-voting page viz. <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> and enter demat account number and PAN.</li> <li>2. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail ID as recorded in the demat account.</li> <li>3. After successful authentication, user will be provided links for the respective e-voting service provider i.e. NSDL where the e-voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p><b>Through Depository Participant's website:</b></p> <ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility.</li> <li>2. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-voting feature.</li> <li>3. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call on + 91 22 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or Toll Free No.: 1800 22 55 33

**B) Login Method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding shares in physical mode**

How to Log-in to NSDL e-Voting website?

1. Either on a personal computer or on a mobile, open web browser and visit the e-voting website of NSDL viz. <https://www.evoting.nsdl.com/>.
  2. Once the home page of e-voting system appears on the screen, click on the icon 'Login' which is available under 'Shareholder/Member' section.
  3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
- Alternatively, if you are registered for NSDL e-Services i.e. IDeAS, you can log-in at <https://>

[eservices.nsdl.com/](https://eservices.nsdl.com/) with your existing IDeAS login. Once you log-in to NSDL e-Services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company EVEN is 129158 and if folio number is 001*** then user ID is 129158001***

5. Password details for shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) In case you have not registered your e-mail ID with the Company / Depository, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.

6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
  - a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
8. Now, you will have to click on 'Login' button.
9. After you click on the 'Login' button, Home page of e-voting will open.

**STEP 2: CAST YOUR VOTE ELECTRONICALLY ON NSDL E-VOTING SYSTEM (INCLUDING PROCEDURE FOR ATTENDING AGM THROUGH VC/OAVM):**

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select 'EVEN 129158' of the Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
3. Now you are ready for e-voting as the voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed and you can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of e-mail IDs for e-voting for the resolutions set out in this Notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by e-mail to [evoting@nsdl.com](mailto:evoting@nsdl.com)
2. In case shares are held in demat mode, please provide Demat account number (In case Depository is (i) NSDL-DP ID commences with 'IN' followed by 6 digits and Client ID comprises of 8 digits; (ii) CDSL - DP ID and Client ID comprise of 8 digits each) Name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) to [evoting@nsdl.com](mailto:evoting@nsdl.com) If you are an individual shareholder holding shares in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding shares as on the Cut-Off Date, may obtain the User ID and Password by sending an e-mail to [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning aforesaid details along with the requisite documents as mentioned above.
4. Members who need technical assistance may contact Mr. Sanjeev Yadav, Assistant Manager - NSDL, Email ID: [evoting@nsdl.com](mailto:evoting@nsdl.com); Tel. No.: + 91 22 4886 7000

**For e-voting at AGM:**

1. The procedure for e-voting at AGM is same as the instructions mentioned above for remote e-voting.
2. The details of the person who may be contacted for any grievances connected with the facility for e-voting at the AGM shall be the same person mentioned for remote e-voting.

**For attending the AGM through VC/OAVM:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access the same by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see "VC/OAVM link" placed under "Join Meeting" menu against the Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice to avoid last minute hassle.
2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of the AGM.
3. Upto 1,000 members will be able to join to the AGM on a first-come-first-served basis. Such restrictions on entry to the e-AGM will not apply in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc.
4. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
5. Members will be required to allow Camera, if any and use Internet with a good speed to avoid any disturbance during the meeting.
6. Participants connecting from Mobile Devices or Tablets or through Laptop, connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their

respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending an email from their registered email ID on [investor.relations@nfil.in](mailto:investor.relations@nfil.in) mentioning their demat account number/ folio number, city, e-mail ID and mobile number from July 25, 2024 to July 28, 2024. The duly registered speaker shareholders will be allowed to express their views/ask questions during the AGM.
8. Only those Members, who will be present in the AGM and have not cast their vote through remote e-voting are eligible to vote through e-voting at the AGM. However,

Members who have voted through remote e-voting will be eligible to attend the AGM.

**DECLARATION OF RESULTS:**

24. The scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman, after the completion of scrutiny of e-voting (votes cast through remote e-voting and votes cast during the AGM), not later than 48 hours from the conclusion of the AGM. The result declared along with the scrutiniser's report will be placed on the website of the Company [www.nfil.in](http://www.nfil.in) and on the website of NSDL <https://www.evoting.nsdl.com/>. The result will simultaneously be communicated to the Stock Exchanges.

## Board's Report

*Dear Members*

Your Directors are pleased to present the 26<sup>th</sup> Annual Report together with the Annual Audited Financial Statements of the Company for the financial year ended March 31, 2024.

### 1. FINANCIAL HIGHLIGHTS

(₹ in crores)

Particulars	Consolidated		Standalone	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
<b>Revenue from Operations</b>	<b>2,065.01</b>	<b>2,077.40</b>	<b>1,420.83</b>	<b>1,628.14</b>
Other Income	55.85	35.73	67.37	41.00
<b>Total Income</b>	<b>2,120.86</b>	<b>2,113.13</b>	<b>1,488.20</b>	<b>1,669.14</b>
<b>Profit before Depreciation, Finance Costs, Exceptional Items and Tax</b>	<b>454.13</b>	<b>586.04</b>	<b>302.88</b>	<b>462.89</b>
Less: Depreciation and Amortization Expenses	96.16	62.64	57.58	42.60
Less: Finance Costs	74.56	27.52	4.96	2.05
<b>Profit before Exceptional Items and Tax</b>	<b>283.41</b>	<b>495.88</b>	<b>240.34</b>	<b>418.24</b>
Add: Exceptional Items	52.13	-	52.13	-
<b>Profit Before Tax</b>	<b>335.54</b>	<b>495.88</b>	<b>292.47</b>	<b>418.24</b>
Less: Tax Expense	65.03	120.69	57.30	105.75
Less: Share of (loss) from Joint Venture (net)	0.01	0.01	-	-
<b>Profit After Tax</b>	<b>270.50</b>	<b>375.18</b>	<b>235.17</b>	<b>312.49</b>
Add: Surplus brought forward from the previous year	1,901.05	1,579.62	1,861.91	1,603.16
<b>Amount available for appropriation</b>	<b>2,171.55</b>	<b>1,954.80</b>	<b>2,097.08</b>	<b>1,915.65</b>
<b>Appropriation:</b>				
Other Comprehensive Income/(Loss)*	(0.54)	0.77	(1.58)	0.78
Payment of Dividends	(74.36)	(54.52)	(74.36)	(54.52)
Reversal of excess provision of Dividend Distribution Tax	-	-	-	-
<b>Surplus carried to Balance Sheet</b>	<b>2,096.65</b>	<b>1,901.05</b>	<b>2,021.14</b>	<b>1,861.91</b>

\*Remeasurement of (loss)/gain (net) on defined benefit plans, recognized as part of retained earnings.

Note: Figures are regrouped wherever necessary to make the information comparable.

### 2. DIVIDEND

#### Interim & Special Dividend

The Company had declared an Interim Dividend of ₹5/- per equity share (i.e. 250% of the face value) and a Special Dividend of ₹3/- per equity share (i.e. 150% of the face value) to commemorate the centenary birth year of the Company's founder Shri. Arvind N. Mafatlal, for the Financial Year 2023-24, which was paid in November 2023 from the profits of the Company.

#### Final Dividend

The Board of Directors has recommended a Final Dividend of ₹7/- per equity share (i.e. 350% of the face value) for the Financial Year 2023-24 out of the profits of the Company which shall be paid on or after August 07, 2024 if declared by the Members of the Company at the 26<sup>th</sup> Annual General Meeting ('AGM').

The paid Interim and Special Dividend, and the recommended Final Dividend are in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Dividend Distribution Policy of the Company which is available on the Company's website at <https://www.nfil.in/investor/policies/ddp.pdf>.

### 3. STATEMENT OF COMPANY'S AFFAIRS & YEAR IN RETROSPECT

The Company's focus on safety, reliability and efficiency and commitment to sustainability has continued to drive its success in what was otherwise a challenging market environment. For the year ended March 31, 2024, the Company achieved a consolidated revenue from operations of ₹2,065.01 crores, largely flat, compared to ₹2,077.40 crores during the previous year. Consolidated earnings before interest, tax, depreciation

and amortization (EBITDA), before exceptional items, decreased from ₹586.04 crores in the previous year to ₹454.13 crores during the year ended March 31, 2024. Consolidated Profit before Tax (PBT), before exceptional items, was ₹283.41 crores in the current year as compared to ₹495.88 crores in the previous year. The performance was underpinned by strong delivery of operating cash flow of ₹749.89 crores compared to ₹(63.59) crores for the previous year on a consolidated basis, aided in part by affirmative actions to optimize working capital levels.

The Consolidated Operating EBITDA, before other income and exceptional items, touched ₹398.28 crores, down from ₹550.31 crores during the previous year, a decline of 27.62%. Operating EBITDA Margin for the year was at 19.29% against 26.49% in the previous year. The performance reflects the challenging market conditions characterized by rising geopolitical tensions, stickier inflation, higher for longer interest rates and destocking phenomena, particularly in the agchem space. In this challenging environment, the Company continued to drive discipline, operational and financial rigour across its activities while continuing to invest in manufacturing capabilities and expanding its product portfolio. As the Company navigates through these short-term challenges and opportunities, it is essential to remain steadfast in commitment to operational excellence, innovation, and sustainability. By leveraging strengths and embracing change with enhanced discipline and rigour, the Company will emerge stronger and more resilient, ready to seize the future opportunities.

HPP (High Performance Products) and Specialty Chemicals business segments secured strong growth underpinned by the Company's strategic and innovative initiatives. While CDMO business saw decline of 42% on Y-o-Y basis due to market forces, the Company remains constructive of the opportunities in this space and is driving improved performance in near future. Specialty Chemicals and HPP businesses saw 14% & 8% growth respectively over previous year.

The Specialty Chemicals vertical continues to be a cornerstone of the Company's business, offering a diverse range of high-value products to customers in industries ranging from pharmaceuticals to agrochemicals. The performance of this vertical is a testament to the Company's commitment to meeting the unique needs of its customers and providing them with innovative solutions that drive their success. Specialty Chemicals business recorded a turnover of ₹848 crores vis-à-vis ₹743 crores in the previous year, showing a robust growth of 14%. It contributed around 41% of the

overall turnover. The growth was driven primarily by the Dahej assets being fully operational. The business aims to further its product portfolio by introducing newer and differentiated products.

During the year, HPP business vertical recorded sales of ₹955 crores compared to ₹886 crores in the previous year, contributing around 46% of the overall turnover. During the year, HPP business commenced operations of its new HFC asset which also contributed significantly to its growth. Considering the early success of the HFC asset, it has been decided to double its capacity. Refrigerant gases business witnessed a tough pricing environment coupled with high inflow of Chinese material in middle east region resulting in depressed realisations and margins. Performance of the inorganic fluorides division was consistent with last year despite pricing challenges. With new capacity envisioned following the execution of the already announced HF Capex, the business aims to leverage its position by expanding into newer high margin products and harnessing new opportunities in the emerging sectors. In HFO business, the Company has successfully stabilised new HFO plant and is gradually increasing the production. HPP business remains focused on developing eco-friendly refrigerants, which are gaining popularity in the market. The business aims to continue investing responsibly in this space to ensure that it plays a leadership role by helping India and the world transition to eco-friendly refrigerants, ramping up capabilities further.

In the CDMO business, the Company partners with pharmaceutical and biotech companies to provide flexible and reliable manufacturing solutions. The Company's state-of-the-art facilities and experienced team ensure that it delivers high-quality products on time and in compliance. The business is typically characterized by lumpiness in revenues across years/quarter-on-quarter – to address this, and whilst maintaining a strong pipeline of early stage projects, the Company has enhanced its efforts to target commercial/late stage projects – the signing of a multi-year, multi-million dollar contract with a large European CDMO player for supply of intermediates to an already commercial patented molecule, is a first, yet significant step, in this direction. The business contributed 13% of overall turnover for the year. The Company continues to believe in the long-term growth prospects of the business and has decided to invest further ₹288 crores to increase the production capacity.

Key raw material costs moved in a mixed trend through the year with prices of Fluorspar increasing over a period of time while Boric Acid was relatively stable. Prices of

almost all other critical raw materials decreased, more particularly, sulphur, caustic soda & chloroform were lower by 51.30%, 39.48% and 46.05% respectively Y-o-Y. On the energy cost front, average power cost was higher than previous year. Average natural gas price was lower by about 16.76% in the current fiscal compared to that of the previous year. The Company's strategy on building a resilient supply chain continues in action with increasingly diverse sources for key imported raw materials and securing majority of other raw materials within close proximity to its sites. Further, during the year, the Company has focused on increasing the usage of green power and is proud to share that about 30% of Surat plant's power consumption was from green sources.

The specialty business Capex of about ₹540 crores for manufacturing agri intermediate for a global major is progressing well and is expected to commence operation during early FY25. Further, the HF capex at Dahej is also progressing well and is expected to commence operations in early FY26. During the year, the Company announced further expansion of its CDMO capacity with investment of ₹288 crores as also capex to double its HFC capacity with an investment of ₹84 crores. These investments lay the foundation for the next phase of growth of CDMO and Refrigerant gas businesses. It will help enhance product offerings and strengthen customer relationships along with providing building blocks for future growth.

During the year, Indian rupee depreciated against all major global currencies. Rupee depreciation supported higher realizations as the contribution of exports within the overall sales decreased from 66% to 65%. The exchange gain of ₹1.83 crores as seen in the financials is on account of timing difference of foreign exchange transactions and their realisation and / or restatement.

During the year, the Company continued to invest in strengthening capability across strategic functions like Technology and Development, Research and Development and Business Development. Improvement in operational efficiencies, new product development, working on novel chemistries and developing long-term partnerships continued to remain core ingredients of the Company's strategy. Throughout the year, cross functional teams continued to work on successful scaleup, improving productivity, quality and costs of various products to enable businesses gain competitive advantage in the market.

On a standalone basis, for the year ended March 31, 2024, the Company achieved total revenue from

operations of ₹1,420.83 crores, Earnings before interest, tax, depreciation and amortization (EBITDA), before exceptional items of ₹302.88 crores and Profit before tax (PBT), before exceptional items, of ₹240.34 crores

The Company maintained 'CARE AA' rating, indicating high degree of safety with respect to timely servicing of financial obligations and very low credit risk, for borrowings with a tenure of more than one year. The rating for short-term facilities of tenure less than one year, remains at 'CARE A1+' indicating very strong degree of safety with respect to timely servicing of short-term financial obligations and lowest credit risk. During the year, the Company continued to enjoy 'Responsible Care' accreditation and published its first sustainability report.

The Company is confident of continuing to lead the way in innovation, sustainability and excellence. Together, we will build a brighter, more sustainable future for generations to come. Further details are provided under various other heads of this Report and in the Management Discussion and Analysis Report annexed to this Report.

#### 4. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

##### The Company has 6 (Six) subsidiaries

- (i) Sulakshana Securities Limited ('SSL'), an entity created to settle dues of the term lenders of Mafatlal Industries Limited, remained a wholly - owned subsidiary of the Company. After settling all the third-party dues, SSL was left with 1,455 Square Meters of commercial floor space at Mafatlal Centre, Nariman Point, Mumbai and a significant portion of this property has been leased out on contemporary terms. SSL repaid all its debt owed to the Company during the financial year.
- (ii) The Company owns 100% of Manchester Organics Limited ('MOL'), a specialized chemicals research company in Runcorn, U.K., holding 51% of the ordinary voting shares of MOL directly and the balance 49% through NFIL (UK) Limited, a 100% stepdown subsidiary created for the purpose. During the year, MOL reported a turnover of £2,433K and net loss of £177K. The Company has charted out a roadmap for MOL involving actions to drive high margin turnover as also actions to optimise costs with the objective of turning around over next 12-24 months.
- (iii) NFIL (UK) Limited is a Wholly Owned Subsidiary of the Company incorporated in the UK to acquire the balance shareholding of 49% of MOL.

- (iv) A step-down subsidiary, NFIL USA Inc. was formed as a Wholly Owned Subsidiary of NFIL (UK) Limited. The primary objective of formation of this Company is to increase the market penetration in the USA of the CDMO business and attracting appropriate talent as and when the business needs expansion.
- (v) Navin Fluorine (Shanghai) Co. Ltd., a wholly owned foreign enterprise under Chinese Laws, was incorporated with a view to establish a strategic presence closer to the source of key raw materials, whilst helping forge strategic relationships and enabling businesses to make informed decisions to secure procurement efficiencies and advantage.
- (vi) Navin Fluorine Advanced Sciences Limited ('NFASL') was incorporated in February 2020. NFASL is a material subsidiary. NFASL commenced commercial operations during the financial year ended March 31, 2023. During the financial year ended March 31, 2024, it achieved total revenue from operations of ₹762.73 crores, Earnings before interest, tax, depreciation and amortization (EBITDA), before exceptional items of ₹160.24 crores and Profit before tax (PBT), before exceptional items, of ₹41.41 crores.

During the year, assets capitalised in NFASL amounting to ₹55.08 crores include assets for improving efficiencies and storage space. Further, in FY25, NFASL will incur capital expenditure on HF manufacturing plant and commission the new specialty chemical plant to supply fluorine based agri intermediates.

Capex undertaken in NFASL is funded through mix of debt and equity contribution. As on March 31, 2024, debt outstanding stood at ₹1,295.56 crores. The said loans are secured by way of first charge on NFASL's fixed assets, second charge on its current assets and corporate guarantees given by the Company.

Policy for determining material subsidiary is available at [https://www.nfil.in/investor/policies/mspf\\_01042019.pdf](https://www.nfil.in/investor/policies/mspf_01042019.pdf).

##### The Company has 1 (one) joint venture

The Company is a joint venture partner with Gujarat Mineral Development Corporation Limited ('GMDCL') and Gujarat Fluorochemicals Limited, in Swarnim Gujarat Fluorspar Private Limited, formed for the purpose of beneficiation of fluorspar ores to be supplied by GMDCL from its mines.

No company has become or ceased to become subsidiary, associate or JV of the Company during the year.

#### Highlights of Financial Performance of Subsidiaries and Joint Venture

Pursuant to Section 129(3) of the Act, a separate statement containing salient features of the financial statements of each subsidiary and JV of the Company is annexed in the format of Form AOC-1 to the Financial Statements of the Company. The Financial Statements of all the aforesaid subsidiaries and Joint Venture have been considered in the Annual Audited Consolidated Financial Results of the Company.

The Annual Financial Statements of all subsidiary companies are placed on the Company's website at [https://www.nfil.in/investor/annu\\_reports.html](https://www.nfil.in/investor/annu_reports.html). Copies of the same will be made available to interested Members who may write to the Company Secretary in this regard.

#### 5. CAPITAL STRUCTURE OF THE COMPANY

Particulars	No. of Equity Shares	Face Value (₹)	Paid-up Share Capital (₹)
Paid-up Share Capital as on April 01, 2023	4,95,62,250 (fully paid) and 8,920 (₹1/- paid-up)	2/-	9,91,33,420/-
Equity Shares allotted under ESOPs during the Financial Year 2023-24*	2,230	2/-	4,460/-
Paid-up Share Capital as on March 31, 2024	4,95,64,480 (fully paid) and 8,920 (₹1/- paid-up)	2/-	9,91,37,880/-

\* The equity shares allotted under Employees' Stock Option Scheme 2007 and Employees' Stock Option Scheme 2017 rank pari-passu with existing equity shares of the Company.

Out of 8,920 partly paid equity shares, the Company is in process of obtaining corporate action approval from Depositories for 860 partly paid equity shares.

#### 6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT, AND CORPORATE GOVERNANCE REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Management Discussion and Analysis Report, and Corporate Governance Report along with the Certificate received from Parikh & Associates,



Practicing Company Secretaries, confirming compliance with corporate governance requirements as per SEBI Listing Regulations are annexed as **'Annexure 1'** and **'Annexure 2'** respectively to this Report

## 7. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company is committed to the highest environmental, social and governance standards. In accordance with SEBI Listing Regulations, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company on this front, in the prescribed form is annexed as **'Annexure 3'** to this Report.

## 8. CORPORATE SOCIAL RESPONSIBILITY

The Company firmly believes that Corporate Social Responsibility ('CSR') is more than an obligation and more than a duty, which helps to create positive impact on many lives. The Company persistently acts as a prudent corporate citizen and maintains harmonious relationship with the communities in which it operates to give back to the society.

The Company's CSR Policy is reflective of its CSR philosophy and highlights the snapshot of activities undertaken by the Company. The scope of the Policy includes the areas covered under the Policy and activities eligible for CSR contribution. The other aspects covered by the Policy include guiding principles for: (i) selection of CSR activities and annual action plan, (ii) execution of CSR activities and (iii) monitoring CSR activities, along with voluntary impact assessment.

The Company's CSR policy is available on the website of the Company at [https://www.nfil.in/investor/policies/NFIL\\_CSR\\_Policy\\_1.pdf](https://www.nfil.in/investor/policies/NFIL_CSR_Policy_1.pdf)

The Company's CSR initiatives extend across health, education, sports, sustainable livelihood, animal care and other social causes through its CSR expenditure of ₹7.45 crores for the financial year 2023-24 vis-à-vis mandatory spend of ₹7.31 crores pursuant to the provisions of Section 135 of the Act. In addition to this, CSR spend from Navin Fluorine Advanced Sciences Limited was ₹0.54 crores. The requisite details on CSR initiatives pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed as **'Annexure 4'** to this Report.

The Company's approved Annual Action Plans on CSR are available on the Company's website at <https://www.nfil.in/csr/index.html>

## 9. ANNUAL RETURN

The Annual Return of the Company for the financial year 2023-24 is available on the website of the Company at [https://www.nfil.in/investor/annu\\_reports.html](https://www.nfil.in/investor/annu_reports.html).

## 10. UNCLAIMED DIVIDEND / INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As per Section 124 of the Act read with the Rules made thereunder, any dividend amount transferred to Unpaid Dividend Account which remains unclaimed or unpaid for 7 years is transferred to IEPF and shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more are transferred to IEPF.

The details of shares and dividends transferred to IEPF by the Company during the year are available at: <https://www.nfil.in/investor/unpaid.html>. The Company intimates concerned Members and issues public notice in respect of shares to be transferred to IEPF in the newspaper, on timely basis.

## 11. LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The details of loans and guarantees given, securities provided and the investments made by the Company as on March 31, 2024 pursuant to Section 186 of the Act are provided in the Annual Audited Financial Statements.

## 12. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were in the ordinary course of the business (except for the transaction of tendering of few eligible shares held by the Company in Cebon Apparel Private Limited through Buy Back). All Related Party Transactions that were entered during the financial year were on arm's length basis. Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, the details of contracts / arrangements entered with related parties in prescribed Form AOC-2, is annexed as **'Annexure 5'** to this Report.

The Company's Policy on materiality of related party transactions and on dealing with related party transactions is available on the Company's website at <https://www.nfil.in/investor/policies/pmrprpt.pdf>.

## 13. BOARD MEETINGS

During the year, 9 (nine) Board Meetings were held. The details of the Board Meetings are mentioned in the Corporate Governance Report annexed to this Report.

## 14. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted declarations confirming that:

- They are independent as per Section 149(6) of the Act and Regulation 16 of SEBI Listing Regulations;
- They have registered themselves with Independent Directors' Database of The Indian Institute of Corporate Affairs ('IICA') and have cleared the online proficiency test of IICA, as applicable.
- They are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence; and
- They have complied with the Code of Conduct for Independent Directors as prescribed under Schedule IV to the Act, as applicable.

Accordingly, the Board of Directors of the Company is of the view that Independent Directors fulfill the criteria of independence and they are independent from the management of the Company.

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 134 of the Act, your Directors report that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls (as required by Explanation to Section 134(5)(e) of the Act) to be followed by the Company

and such internal financial controls are adequate and are operating effectively;

- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 16. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the 25<sup>th</sup> Annual General Meeting of the Company held on July 31, 2023, the following Directors were appointed/re-appointed by the Members of the Company:

- Mr. Vishad P. Mafatlal was re-appointed as Director of the Company as he had retired by rotation and offered himself for re-appointment as Director
- Mr. Radhesh R. Welling was re-appointed as Managing Director for a term of 5 (five) consecutive years commencing from December 11, 2023 and ending on December 10, 2028
- Mr. Atul K. Srivastava was re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing from June 21, 2024 and ending on June 20, 2029

During the year, Mr. Radhesh R. Welling resigned from the post of Managing Director and Director of the Company with effect from close of business hours of December 15, 2023. The Company places on record its appreciation for the services rendered by Mr. Welling during his tenure.

Further, Mr. Sudhir R. Deo was appointed as an Additional Director and Non-Executive Non-Independent Director of the Company with effect from September 28, 2023 by the Board of the Company subject to approval of the shareholders. Mr. Deo was appointed as Non-Executive Non-Independent Director with effect from September 28, 2023 by the shareholders on December 21, 2023 through postal ballot.

Mr. Mohan M. Nambiar, Non-Executive Non-Independent Director, retires by rotation and is eligible, but does not offer himself for re-appointment as Director as due to his age, he has chosen to gradually reduce his engagements. The Company places on record its appreciation for the invaluable services rendered and guidance provided by Mr. Nambiar during his tenure.

Further, Mr. Sunil S. Lalbhai's second term as Independent Director of the Company will end on June 24, 2024. The Board of Directors of the Company, at its Meeting held on

May 07, 2024, appointed him as Additional Director and, Non-Executive Non-Independent Director with effect from June 25, 2024 based on the recommendations of the Nomination and Remuneration Committee, subject to approval of the Members of the Company.

The Board of Directors of the Company at its Meeting held on May 07, 2024, appointed Mr. Abhijit J. Joshi as an Additional Director and Independent Director of the Company for a tenure of 5 (five) consecutive years commencing from May 07, 2024 and ending on May 06, 2029 based on the recommendations of the Nomination and Remuneration Committee, subject to approval of the Members of the Company.

As required under Section 160 of the Act, notices have been received from Members of the Company proposing the candidature of Mr. Lalbhai and Mr. Joshi as a Director.

Brief profiles of Mr. Lalbhai and Mr. Joshi are provided in the Notice convening the 26<sup>th</sup> Annual General Meeting.

## 17. COMMITTEES OF THE BOARD

The Company has duly constituted the following statutory committees as per the provisions of the Act & SEBI Listing Regulations:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

The details of the composition, number of Meetings, terms of reference and other information of all the aforesaid committees are included in the Corporate Governance Report which forms part of this Report.

### Audit Committee

The composition of the Audit Committee is as under:

Sr. No.	Names	Designation
1	Mr. Sunil S. Lalbhai	Chairman
2	Mr. Pradip N. Kapadia	Member
3	Mr. Mohan M. Nambiar	Member
4	Ms. Radhika V. Haribhakti	Member

During the year, there were no instances when the recommendations of the Audit Committee were not accepted by the Board of Directors of the Company.

## 18. VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the requirements of the Act and SEBI Listing Regulations, the Company has a Whistle Blower Policy approved by the Board of Directors. The objectives of the policy are:

- To provide a Vigil Mechanism for Directors and employees of the Company and other persons dealing with the Company to report to the Audit Committee; their concerns relating to the Company, any instance of unethical behaviour, actual or suspected fraud or violation of the Company's Ethics Policy;
- To safeguard the confidentiality and interest of such employees / other persons dealing with the Company against victimization, who notice and report any unethical or improper practices; and
- To appropriately communicate the existence of such mechanism within the organization and to outsiders.

Whistle Blower Policy is available on the website of the Company at <https://www.nfil.in/investor/policies/Whistle%20Blower%20Policy.pdf>. The Company confirms that no personnel have been denied access to the Audit Committee pursuant to the whistle blower mechanism.

## 19. ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, performance evaluation was carried out as under:

### Board of Directors

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes and Board dynamics. The Independent Directors, at their separate meeting, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

### Committees of the Board of Directors

The performance of the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and the Risk Management Committee was evaluated by the Board having regard to various criteria such as committee composition, committee processes and committee dynamics. The Board was of the unanimous view that all the committees were performing

their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act read with the Rules made thereunder and SEBI Listing Regulations.

### Individual Directors

**(a) Independent Directors:** In accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each Independent Director was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like qualification, experience, availability and attendance, integrity, commitment, governance, independence, communication, preparedness, participation and value addition. The Board appreciated the contribution made by all the Independent Directors in guiding the management and concluded that continuance of each Independent Director on the Board will be in the interest of the Company. The Board was also of the unanimous view that each Independent Director was a reputed professional and brought his/her rich experience to the deliberations of the Board.

**(b) Non-Independent Directors:** The performance of each of the Non-Independent Directors (including the Executive Chairman) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. Various criteria considered for the purpose of evaluation included qualification, experience, availability and attendance, integrity, commitment, governance, communication etc. The Independent Directors and the Board were of the unanimous view that all the Non-Independent Directors were providing good business and people leadership.

## 20. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has a policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees as per Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations, which includes:

- Criteria for identification of persons for appointment as Directors and in senior management positions
- Criteria for determining qualifications, positive attributes, independence of a Director
- Board Diversity

- Remuneration to Non-Executive Directors, Key Managerial Personnel and Senior Management and remuneration to other employees

The Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees is available on the Company's website at <https://www.nfil.in/investor/policies/Policyardkmpe.pdf.pdf>.

## 21. INSURANCE

The properties, insurable assets of the Company such as Buildings, Plants and Machineries, and inventories among others are adequately insured.

The Company has Directors & Officer's Liability (D&O) Policy which covers the Directors and Officers for the liabilities, if any, arising out of their actions/decisions in the normal course of discharge of their duties for the Company.

## 22. EMPLOYEES' STOCK OPTION SCHEMES

The Company has two Employees' Stock Option Schemes viz. Employees' Stock Option Scheme 2007 and Employees' Stock Option Scheme 2017 ('ESOS 2017') which are in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and there were no material changes therein. In this regard, a certificate from Parikh & Associates, the Secretarial Auditors of the Company, will be placed at the ensuing 26<sup>th</sup> Annual General Meeting for inspection by Members.

During the year, 2,27,500 Stock Options were granted to the eligible employees of the Company under ESOS 2017. The relevant details of the Employees' Stock Option Schemes as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are specified in 'Annexure 6' to this Report.

## 23. HUMAN RESOURCE

The total number of permanent employees of the Company as on March 31, 2024 was 1,029. The requisite details under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of 'Annexure 7' to this Report.

The requisite details relating to the remuneration of the specified employees under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report. Further, this Report and Financial Statements are being sent to Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure

will be open for inspection by any Member. Interested Members may write to the Company Secretary.

#### 24. PREVENTION OF WORKPLACE HARASSMENT

The Company has in place a gender neutral Anti-Sexual Harassment Policy which aims to provide an environment, which is free of discrimination, intimidation and abuse. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaints were received from employees in this regard.

#### 25. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to Financial Statements. It has laid down certain guidelines, policies, processes and structures which are commensurate with the nature, size, complexity of operations and the business processes followed by the Company. These controls enable and ensure the systematic and efficient conduct of the Company's business, protection of assets, prevention and detection of frauds and errors and the accuracy and completeness of the accounting and financial records. The controls have been reviewed and found satisfactory on the following key control matrices:

- Entity level controls
- Financial controls
- Operational controls

The Company has a built-in review and control mechanism to ensure that such control systems are adequate and operating efficiently and these are persistently reviewed for effectiveness. The internal control system is maintained by qualified personnel and there is an internal audit review on a regular basis, to suggest adequacy and effectiveness of the system and to recommend improvements.

#### 26. RISK MANAGEMENT POLICY

The Company has a structured risk management framework and policy that provides an all-inclusive approach to safeguard the organization from various risks, both operational and strategic, through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks that could materially impact the business objectives. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during the decision making. Further details are provided in the Management Discussion and Analysis Report and Corporate Governance Report annexed to this Report.

#### 27. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in crores)		
Particulars	FY 2023-24	FY 2022-23
Total Foreign exchange used	262.58	462.51
Total Foreign exchange earned	646.06	867.37

The information on conservation of energy and technology absorption is disclosed in 'Annexure 8' to this Report pursuant to Section 134 of the Act read with the Companies (Accounts) Rules, 2014.

#### 28. STATUTORY AUDITORS

At the 24<sup>th</sup> AGM held on July 27, 2022, the Members of the Company approved the re-appointment of Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) for a second term of 5 (five) consecutive years commencing from the conclusion of the 24<sup>th</sup> Annual General Meeting until the conclusion of 29<sup>th</sup> Annual General Meeting based on the recommendations of the Audit Committee and the Board.

#### 29. STATUTORY AUDITOR'S REPORT

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their report on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024.

As required under Rule 11 of the Companies (Audit and Auditors) Rules, 2014, auditors' report has highlighted the fact that your Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions, except when certain privileged access are used, the audit log does not capture the pre-modified values for the changes and the audit trail has not been enabled at the database level for the accounting software to log any direct data changes that can be only made through certain privileged access. We would like to mention that the audit trail functionality for direct data changes has since been activated. Further, privileged access to database continues to be restricted to a limited set of users who necessarily require the same for maintenance and administration.

Auditor's report also states that in respect of software used for processing payroll records, which is operated by a third party software service provider, the ISAE

3402 Type 2 report is not available with the software service provider and accordingly they were unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year. We would like to highlight that we are working with the payroll process service provider to ensure the availability of required reports and audit trails.

#### 30. SECRETARIAL AUDIT REPORT

Pursuant to Section 204(1) of the Act and Regulation 24A of SEBI Listing Regulations, the Secretarial Audit Report of the Company for the financial year ended March 31, 2024 issued by Parikh & Associates, Practising Company Secretaries, is annexed as 'Annexure 9' to this Report. Further, the Secretarial Audit Report of Navin Fluorine Advanced Sciences Limited, a Material Wholly Owned Subsidiary, for the financial year ended March 31, 2024 issued by Parikh & Associates, Practising Company Secretaries, is annexed as 'Annexure 10' to this Report. The aforesaid Reports do not contain any qualification, reservation or adverse remark or disclaimer.

#### 31. COST RECORDS AND COST AUDITORS

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of cost records is applicable to the Company and accordingly, such accounts and records are being maintained.

The Board of Directors, based on the recommendations of the Audit Committee, appointed B. Desai & Co., (Firm Registration No. 005431), Cost Accountants, as Cost Auditors to audit the cost accounts of the Company for the financial year 2024-2025 on agreed remuneration of ₹5,50,000/-.

As required under the Act, necessary resolution seeking Members' ratification for the remuneration payable to B. Desai & Co. is placed at the 26<sup>th</sup> Annual General Meeting. The Cost Audit Report in respect of the financial year 2023-24 will be filed within the statutory timeline.

#### 32. SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government.

#### 33. STATUTORY DISCLOSURES

- The Company has not accepted any deposit from the public pursuant to Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014;

- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- The Whole Time Director, Key Managerial Personnel and Managing Director of the Company have not received any remuneration or commission from any of the subsidiaries;
- No significant and material Orders have been passed by the regulators or courts or tribunals which impact the going concern status and the Company's operations in future;
- As there was no buyback of shares during the year, the Company has nothing to disclose with respect to buyback of shares;
- None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act;
- There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this Report.
- As permitted under the provisions of the Act, the Board does not propose to transfer any amount to general reserve.

#### 34. APPRECIATION

The Board wishes to place on record its sincere appreciation for the dedicated services rendered by the employees who have largely contributed to the efficient management of your Company. The Board also places on record its appreciation for the persistent support from the shareholders, customers, suppliers, dealers, distributors, Governments, bankers, lenders and other stakeholders.

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**  
Chairman  
DIN: 00011350

Date: May 07, 2024  
Place: Mumbai

**Registered Office:**  
Office No. 602, 6<sup>th</sup> 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 ID: [info@nfil.in](mailto:info@nfil.in); Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

Annexure 1

# Management Discussion and Analysis Report

## ECONOMIC REVIEW

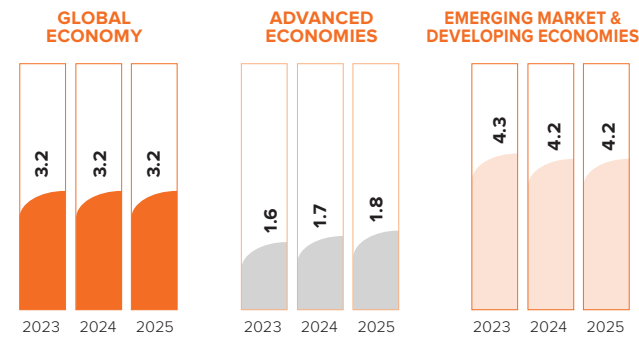
### Global Economic Overview

The global economy surpassed predictions in 2023, experiencing a steady yet slow recovery, with disparities evident across regions. According to the International Monetary Fund (IMF), global growth held steady at a modest rate of 3.2% compared to 3.5% in 2022. However, underlying risks and vulnerabilities persist due to escalating geopolitical conflicts, sluggish recovery in China, volatility in energy and food markets, and higher-for-longer interest rates, which continue to put pressure on discretionary spending and private capex. Despite these challenges, signs of stable growth, robust performance of the United States and several large emerging market and developing economies, coupled with inflation returning to target levels in advanced economies, indicate a diminished risk for the global economy. Global inflation continues to recede at a faster pace from 8.7% in 2022 to 6.8% in 2023. However, core inflation has remained persistent and is expected to decline gradually.

Despite the major economic shocks, global trade has been resilient in recent years. Merchandise trade experienced a decline of 1.2% in 2023 as import demand in real terms fell sharply in Europe, declined in North America and remained flat in Asia. However, imports surged in the Middle East and the Commonwealth of Independent States (CIS) region.

Several emerging markets and developing economies (EMDEs) have outperformed initial projections in 2023. The US economy has experienced the strongest recovery among major economies. Strong private consumption, swift containment of a looming banking crisis, tight labour market and rising wages have contributed to this recovery. The European Union (EU) has also shown fortitude in navigating through unprecedented shocks arising from the prolonged Russia-Ukraine war. Although its GDP growth contracted from 3.6% in 2022 to 0.6% in 2023, the EU managed to avoid the recession in 2023. Furthermore, Asia recorded a growth rate of 5.0% in 2023, with India and China playing a major role.

### Region-wise GDP growth (%)



(Source: International Monetary Fund)

### Performance of major economies

	GDP Growth 2023	GDP Growth 2022
United States	2.5%	1.9%
China	5.2%	3.0%
United Kingdom	0.1%	4.3%
Japan	1.9%	1.0%
Germany	0.3%	1.8%

### Outlook

The global economic outlook for 2024 will be impacted by high interest rates, risk of a resurgence in inflation and consequent shifts in the anticipated monetary stance. Furthermore, the ongoing Russia-Ukraine war and an escalation in geopolitical tensions in West Asia threaten to dampen the economic prospects. Additionally, the disruptions in the Red Sea route pose a risk of intensifying concerns about a global supply chain crisis and increasing logistics costs, energy prices, and commodity prices.

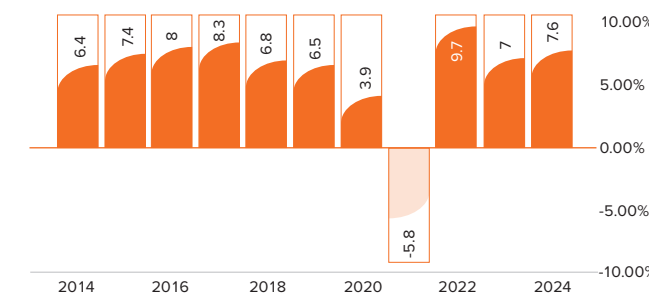
Global headline inflation is expected to decrease to 5.9% in 2024 and to 4.5% in 2025. The global economy is expected to sustain its resilience in 2024. The IMF forecasts a global growth of 3.2% for both 2024 and 2025. Advanced Economies (AEs) are projected to expand from 1.6% in 2023 to 1.7% in 2024, while EMDEs are expected to experience a slight decline from 4.3% in 2023 to 4.2% in 2024. Asia is expected to again contribute significantly to global growth in 2024, echoing its impact in 2023.

(Source: IMF Economic Outlook-April 2024, World Trade Organisation)

## INDIAN ECONOMIC OVERVIEW

Amid the volatile global economic environment, India has emerged as a beacon of optimism, retaining its position as the world's fifth-largest economy. It is expected to continue leading as the fastest-growing major economy. As per the Second Advance Estimates of National Income, FY 2023-24, India's GDP growth remained strong at 7.6% in FY 2024 as against 7% in FY 2023, supported by buoyant domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. Furthermore, a double-digit growth rate of 10.7% in the Construction sector and an 8.5% growth rate in the Manufacturing sector have contributed to the GDP growth in FY 2024.

### India's GDP Growth Rate



TRADINGECONOMICS.COM | MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)

(Source: Ministry of Statistics and Programme Implementation, Tradingeconomics.com)

The Index of Industrial Production (IIP) growth rate for FY 2023-24 indicates a 5.8% increase compared to the previous year. The Mining sector recorded the highest growth at 7.5%, followed by the Electricity sector with a growth of 7.1% and the Manufacturing sector at 5.5%. Furthermore, CPI inflation is on a downward trajectory and eased to 4.83% in April 2024. Headline inflation is expected to gradually decline to the target although it remains volatile due to repetitive food price shocks. The RBI keeps the policy repo rate unchanged at 6.50% and remains vigilant to take effective measures to achieve the target of 4% inflation.

### Outlook

According to the IMF, the Indian economy is anticipated to progress steadily at 6.8% in 2024 and 6.5% in 2025. The RBI's forecast is more optimistic, projecting a higher GDP growth of 7.0% for FY 2024-25. Additionally, CPI inflation is forecasted to decline to 4.5% in FY 2024-25. India's economic outlook remains positive, supported by stronger consumer demand, increased capital expenditure, and enhancements in both physical and digital infrastructure. Private and government investments are expected to be the primary drivers of

economic growth in 2024, backed by improving prospects of rural consumption due to the easing of inflation, increased spending in an election year, and proactive government policy measures. The Interim Budget 2024-25 reflects the government's continued focus on infrastructure development, economic stability, sector-specific developments, environmental sustainability, and strategic global positioning. It establishes the framework for realising the vision of a 'Viksit Bharat' (Developed India) by 2047.

(Source: Ministry of Statistics & Programme Implementation, Ministry of Finance, RBI, Ministry of Commerce & Industry, IMF Economic Outlook- April 2024)

## INDUSTRY OVERVIEW

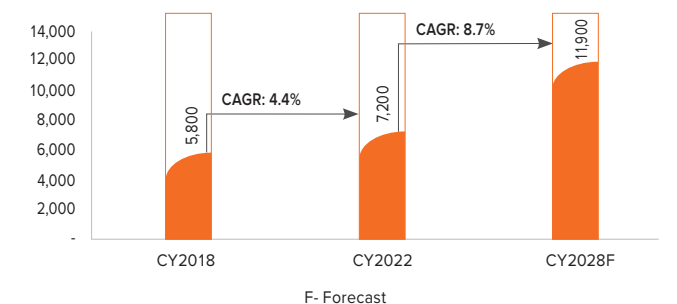
### Global fluorochemical industry

The global fluorochemical market size was estimated at US\$ 28.7 billion in 2023 and is expected to reach US\$ 41.35 billion by 2030, exhibiting a CAGR of 5.35% during 2023-30. Fluorochemicals find applications in various sectors such as cooling, refrigerants, dyeing, automotive, electronics, agriculture, pesticides, herbicides, insecticides, textiles, electronics, and pharmaceuticals. The Asia Pacific region dominates the global fluorochemicals market due to its expanding consumer base and diverse applications across sectors like automotive, oil and gas, electronics, pharmaceuticals, and transportation. China, Japan, and India are the major markets in the Asia-Pacific region. North America, particularly the United States and Canada, also play significant roles in the global fluorochemical market due to their advanced industries and high demand for fluorochemical products.

The global fluorospecialty market was valued at US\$ 7 billion in 2022 and is expected to reach ~US\$ 9.1 billion by 2028, growing at a CAGR of ~5.4%. The rising requirement for refrigeration across various industries is a significant driver boosting the growth of fluorospecialty market.

The growing installation of HVAC systems in the manufacturing and automotive sectors is expected to increase the use of

### Global Fluorospecialty Market (US\$ Mn)



(Source: Frost & Sullivan Research & Analysis)

refrigerants, thereby driving the demand for fluorochemicals. The increased production of automobiles has led to a higher demand for refrigerants. Furthermore, increased production of electric vehicles will also contribute to the heightened demand for refrigerants. Additionally, the rising demand for refrigeration and cooling systems in industrial, domestic, and food and beverage (F&B) sectors due to lifestyle changes and the need for convenience food products storage, positively influences the market. The projected growth of the global refrigerant market from US\$ 25.04 billion in 2023 to US\$ 27.4 billion in 2024, at a CAGR of 9.4%, is poised to significantly shape the expansion of the global fluorochemical industry, as fluorine gases have been an integral part across generations of refrigerants.

The increasing usage of fluorochemicals in the healthcare industry for medical implants due to their high biocompatibility is offering lucrative growth opportunities to industry players. Fluorine plays a vital role in the pharmaceutical industry. Fluorine-based intermediates are the key starting materials to many APIs. ~20-30% of modern pharmaceutical molecules contain at least one Fluorine atom. In the pharmaceutical segment, the key driving factor is that one in every three new APIs will be based on fluorine chemistry.

The increasing consumption of fluorochemicals in plasma etching for semiconductors, batteries, and other electronic products and components is boosting their demand. Moreover, the rising application of aluminium in the automotive industry is spurring the demand for fluorochemicals. Hydrofluoride is expected to experience an uptick in demand, driven by the rising aluminium production, propelled by its expanding utilisation in the automotive and construction industries.

**Automotive industry:** The automotive industry serves as the primary market for fluorochemicals, driven by the increased production of light commercial vehicles and their application in the production of aluminium, semiconductors, and electric components. With global sales of new light vehicles projected to rise by 2.8% y-o-y in 2024, reaching 88.3 million units, the automotive industry is benefiting from demand recovery and production increase due to inventory restocking efforts across many regions. This uptick in automotive production is expected to further fuel the demand for fluorochemicals in the market.

**Construction industry:** Fluor technology products find applications in the construction sector, providing materials such as architectural membranes and coatings, caulks, wire, and cable with anti-corrosion properties, high durability, and UV resistance. Due to urbanisation, industrialisation, population growth, and a surge in infrastructure projects in developing countries, the global construction industry is estimated to reach US\$ 19.85 trillion in 2028. As the

construction sector flourishes, there will be an increased demand for fluoropolymers, which is anticipated to drive the expansion of the fluoropolymers segment, forecasted to reach US\$ 10.31 billion in 2028.

*(Source: Frost & Sullivan, Research and Markets, Expert Market Research, Prabhudas Lilladher-Fluorochemicals Sector Report, S&P Global, GlobeNewswire)*

### Indian specialty chemicals industry

India is emerging as a preferred manufacturing hub for specialty chemicals for domestic and export markets. ~20% of the total chemicals market in India, the specialty chemicals sector has been instrumental in propelling the growth of the chemicals industry.

The Indian specialty chemicals industry has exhibited resilience and adaptability, demonstrating consistent growth amidst a rapidly evolving global economic landscape. It is projected to experience revenue growth of 6-7% in fiscal 2024, with increased domestic demand (~60% of total revenue) driving volume growth, despite macroeconomic challenges in the US and Europe dampening exports. Amid the global economic slowdown and volatile crude prices, the specialty chemical market witnessed weakness in demand in the US and the Eurozone. Growth trends vary across sub-segments, with the agrochemicals and fluorochemicals sectors, constituting over 35% of total revenues, expected to achieve double-digit growth in fiscal year 2024.

### Favourable government initiatives

Initiatives such as the Public Procurement (Preference to Make in India) policy, along with schemes like the establishment of plastic parks and centres of excellence, the Chemicals Promotion and Development Scheme, and the Proposed New Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) Policy 2020-35, have been crucial in shaping policy formulations and propelling the specialty chemicals sector forward. Under the new PCPIR Policy 2020-35, it has been targeted to attract a combined investment of ₹ 10 trillion by 2025, ₹ 15 trillion by 2030 and ₹ 20 trillion by 2035. Furthermore, the Ministry of Chemicals and Fertilisers has labelled the specialty chemicals industry as a sunrise sector and is working towards implementing the Production Linked Incentive (PLI) scheme to boost domestic production and exports.

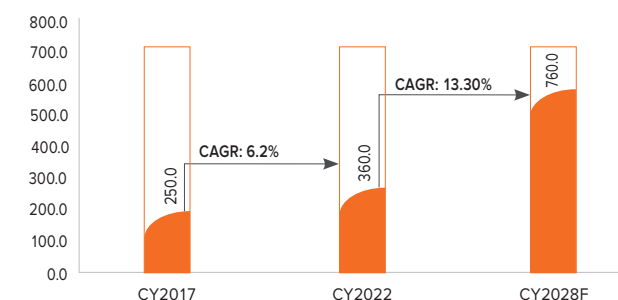
*(Source: ASSOCHAM-EY report- Indian Specialty Chemicals Industry: ready for a quantum leap, June 2023, Crisil Ratings)*

### Indian fluorochemical industry

The Indian fluorospecialty market is projected to grow at a CAGR of 8.7% between 2022 and 2028, reaching US\$ 760 million by 2028. India's expanding industries and increasing

chemical manufacturing infrastructure have led to a consistent and growing requirement for fluorochemicals.

### Indian Fluorospecialty Market (US\$ Mn)



*(Source: Frost & Sullivan Research & Analysis)*

Fluorospecialty market in India is growing rapidly due to presence of pure play manufacturers who entered the industry a few years back, carving out a distinct presence on the global stage. Major consumer regions for fluorospecialties are showing interest in India to source their raw materials post-pandemic. This favourable environment benefits fluorospecialty manufacturers, as the market remains relatively uncrowded with soaring demand from pharmaceutical and agrochemical sectors. Moreover, the Government of India's PLI scheme for API manufacturing in the pharmaceutical and specialty chemical sectors is a significant driving force behind the growth of the fluorospecialty market. Moreover, transitioning to low-GWP refrigerants is augmenting market growth, aligning with the increasing emphasis on environmental sustainability and regulations concerning greenhouse gas emissions.

**Pharmaceutical industry:** With the domestic pharmaceutical industry placing greater emphasis on developing innovative and complex drug molecules, there is a growing demand for custom synthesis and advanced fluorination technologies, which, in turn, boosts the sales of fluorochemicals across India. The Indian API market has demonstrated consistent growth, achieving a CAGR of 10.4% from 2018 to 2022, with projections indicating further expansion at nearly 14% through 2028. To enhance their competitiveness in regulated markets, API manufacturers in India are focussing on improving production yields, refining production processes, and bolstering international sales efforts. As of 2022, over 30% of India's API production is exported to countries including the US, UK, and Japan.

**Electronics industry:** The electronics industry is dominating the Indian fluorochemicals market due to rapid industrial growth and high dependency on these chemicals. The increased manufacturing and assembly of electronic devices,

due to rising domestic consumption and the government's 'Make in India' initiative, has fuelled the demand for fluorochemicals, especially in applications like printed circuit boards (PCBs), microelectronics, and LED lighting. Furthermore, India's electronics manufacturing sector is attracting foreign investment and technology, indicating ongoing growth and evolution, driving the demand for specialised fluorochemicals.

**Agrochemicals industry:** Fluorinated molecules are gaining traction in the agrochemical industry due to their unique properties. In 2022, 11 out of 15 new ISO-assigned agrochemicals had fluorination in their chemistry, compared to 6 out of 17 in 1998. India is one of the most prominent exporters of agrochemicals in the world, catering to key end-user nations such as the USA, Japan, China, and Brazil. Among the notable agrochemicals exported are mancozeb, 2,4D, acephate, chlorpyrifos, permethrin, and profenofos.

**Automobile industry:** The Indian automobile sector witnessed a satisfactory year in 2023, with all segments demonstrating healthy growth. The industry is optimistic that the growth momentum will continue in 2024. Exports from India is expected to drive the growth especially for component and ancillary manufacturing segments. Additionally, the increased focus on electric vehicles (EVs) and smart vehicles is contributing to the rising demand for fluorospecialty chemicals.

*(Source: Frost & Sullivan, Prabhudas Lilladher-Fluorochemicals Sector Report)*

## OPPORTUNITIES AND THREATS

### Opportunities

**Growing domestic demand:** The Indian specialty chemicals industry has significant potential due to the growing demand for specialty chemicals in various end-use industries, including pharmaceuticals, automobiles, agrichemicals, etc.

**Fluorination in pharmaceutical innovation:** The Indian fluorochemical industry is poised for growth, with a remarkable 64% of New Chemical Entities (NCEs) approved by the Food & Drug Administration (FDA) in 2022 using fluorination chemistry, almost double of 34% observed in 2015. It emphasises the growing importance of fluorination methods in pharmaceutical innovation.

**China+1 and Europe+1 strategy:** Global companies are seeking to derisk and diversify their supply chain away from China. Key fluorospecialty consuming regions like USA, EU and Japan are considering India as their supply partner for reliable and timely supply of raw materials. Moreover, the slowdown in Chinese manufacturing presents an opportunity for India to expand its footprint and secure a larger share of the global market. Furthermore, amidst the ongoing Russia-Ukraine conflict, numerous customers are now adopting not just the China+1 strategy but also the Europe+1 approach.

This shift has contributed to the growth of the Indian market for fluorine-based intermediates, creating export opportunities.

**Innovation and collaboration:** Collaboration and innovation are vital strategies for Indian companies to maintain competitiveness in the global market by enriching their product portfolios. Public-private partnerships and collaborations among industry stakeholders can stimulate innovation and research efforts.

**Threats**

**Stringent regulations:** The industry is subject to stringent regulations regarding the protection of the ozone layer amid growing environmental concerns. These regulations are applied to the production and consumption of fluorochemicals, which are expected to impede market growth. The adoption of Montreal and Kyoto Protocols and regulations regarding restriction on chemicals with high global warming potential (GWP) is expected to impact the demand for fluorocarbons, including Chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs). The phaseout of HCFCs in developed countries is already complete, with most end users transitioning to HFCs (hydrofluorocarbons). However, even HFCs are now facing limitations due to their global warming potential, with new regulations likely to govern their future use in advanced economies. India has committed to achieving a complete phaseout of HCFCs by 2030.

**Limited availability and volatility in raw material prices:**

Access to reliable fluorine source (acid grade fluorspar) is crucial for fluorination companies in India, considering the absence of commercially proven fluorspar reserves in the country. Fluorspar reserves are mainly concentrated in Mexico, China, and South Africa, which accounted for ~60% of global reserves in 2022. China dominates the fluorspar mining market, followed by Mexico. Due to concentrated availability, fluorspar prices are highly volatile, making secure access a vital factor for ensuring sustainable business operations.

**Competition from Imports:** Imports, primarily from China, have a significant impact on domestic players and exert pricing pressure. Additionally, destocking by certain global players, who are contending with overcapacity amidst subdued consumption, has led to increased shipments of products to India, further exacerbating the challenges for Indian players.

**COMPANY OVERVIEW**

Established in 1967, Navin Fluorine International Limited ("NFIL" or "the Company") is one of India's leading manufacturers of specialty fluorochemicals. With over five decades of experience in handling fluorine and extensive expertise in specialty fluorochemicals business, the Company has established its reputation as a trusted partner to global companies in life science, crop science and performance

materials. As the flagship of the Padmanabh Mafatlal Group, NFIL is a pioneer in the manufacturing of refrigerant gases in India. It operates one of the largest integrated fluorochemicals complexes in India, with manufacturing facilities strategically located at Surat and Dahej in Gujarat and Dewas in Madhya Pradesh. The Company's DSIR-approved research and development centre, known as Navin Research Innovation Centre (NRIC) is situated in Surat.

NFIL operates in three major business segments, viz., specialty chemicals, HPP and CDMO and manufactures over 60 fluorinated products. Its main business units include refrigeration gases, inorganic fluorides, specialty fluorides, and CDMO. Expanding its foothold in fluorochemicals, the Company is investing in a Multi-Purpose Plant (MPP), paving the way for a new portfolio of products for its future growth.

The Company's presence is spread across domestic and export markets, including North America, Europe, the Middle East and Asia Pacific regions. Its long-term contracts with supply intermediate in the pharmaceutical and agrochemical industries validate its capabilities.

- One of the largest integrated specialty fluorochemical companies in India
- Established India's only plant equipped with high-pressure fluorination capabilities for CDMO business, adhering to cGMP standards
- "Responsible Care" certification

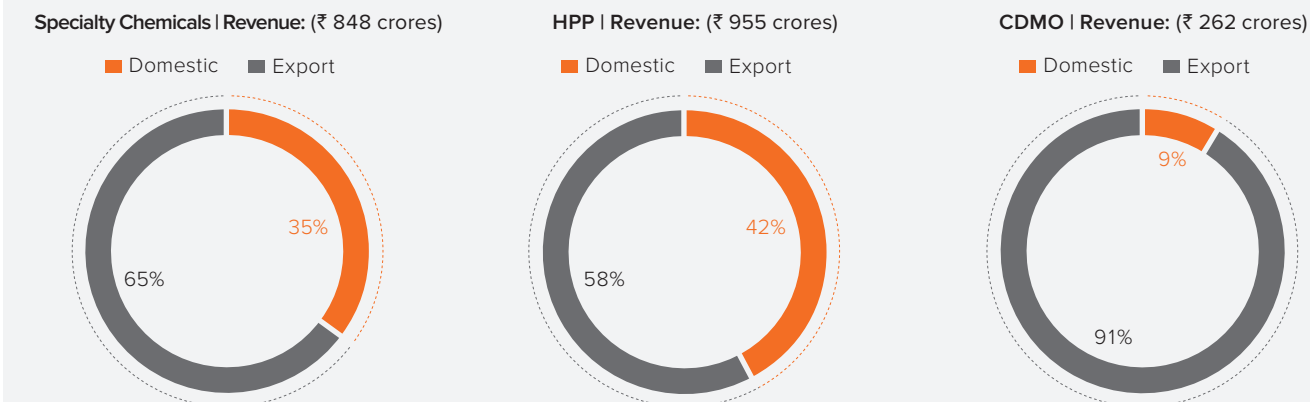
**FINANCIAL PERFORMANCE**

The Company recorded revenue from Specialty Chemicals at ₹ 848 crores (14% YoY growth), HPP at ₹ 955 crores (8% YoY growth), and CDMO at ₹ 262 crores (42% YoY decrease). The Company aims to bolster its position in the CDMO segment by enhancing its capacities and capabilities. In FY 2023-24, NFIL entered into a partnership with a European CDMO to supply intermediate for a patented commercial molecule. The Company introduced 6 new commercial products in its portfolio, leading to a substantial increase in the revenue mix from its commercial portfolio, rising from 45% to 61%.

During the year, the Company's exports were adversely impacted by weak demand driven by dumping of Chinese materials across global markets and destocking of high priced inventories, particularly in agrochemical space. Additionally, in Refrigerant space, we experienced a significant decline in selling prices in the export market. CDMO export sales were impacted by postponement of commercial stage approvals of certain late stage drugs of the Company's customers.

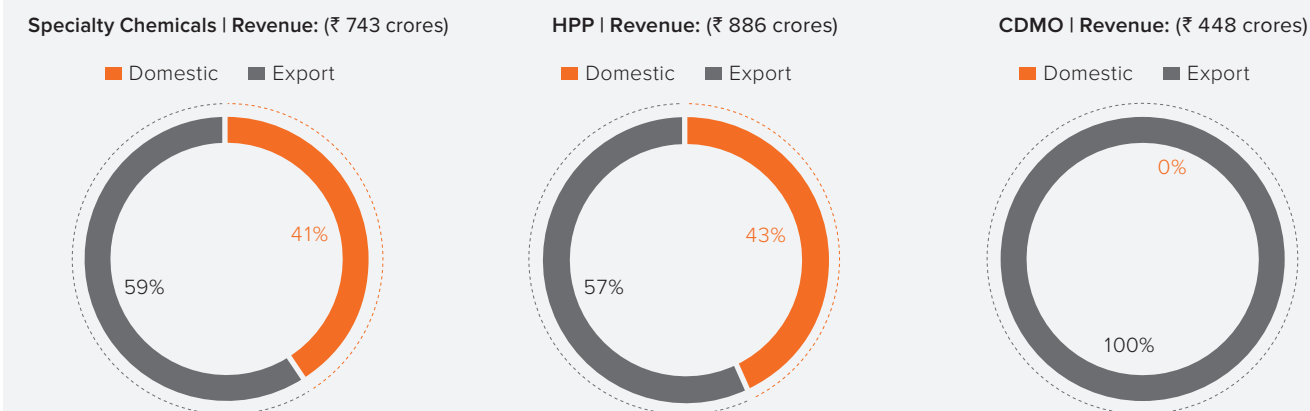
**REVENUE MIX**

**Business Vertical FY 2023-24**



**REVENUE MIX**

**Business Vertical FY 2022-23**



### Consolidated Profit and Loss Statement

Particulars	(₹ in crores)	
	FY 2023-24	FY 2022-23
Revenue from operations	2,065.01	2,077.40
Raw material	935.43	896.01
Employee expenses	285.84	249.41
Other expenses	445.46	381.67
Total expenses	1,666.73	1,527.09
Operating EBITDA	398.28	550.31
Operating EBITDA margin	19.29%	26.49%
Interest expenses	74.56	27.52
Depreciation	96.16	62.64
Operating PBT	227.56	460.15
Operating PBT margin	11.02%	22.15%
Profit before tax	335.54	495.88
Tax	65.03	120.69
Profit after tax	270.50	375.18
Other comprehensive income	0.02	2.04
<b>Total comprehensive income</b>	<b>270.52</b>	<b>377.22</b>

### Standalone Profit and Loss Statement

Particulars	(₹ in crores)	
	FY 2023-24	FY 2022-23
Revenue from operations	1,420.83	1,628.14
Raw material	667.26	715.26
Employee expenses	209.50	202.98
Other expenses	308.56	288.01
Total expenses	1,185.32	1,206.25
Operating EBITDA	235.51	421.89
Operating EBITDA margin	16.58%	25.91%
Interest expenses	4.96	2.05
Depreciation	57.58	42.60
Operating PBT	172.97	377.24
Operating PBT margin	12.17%	23.17%
Profit Before Tax	292.47	418.24
Tax	57.30	105.75
Profit After Tax	235.17	312.49
Other comprehensive income	(1.58)	0.78
<b>Total comprehensive income</b>	<b>233.59</b>	<b>313.27</b>

### Analysis of the Consolidated P&L Statement

#### Revenue

The Company's consolidated revenue for FY 2023-24 stood at ₹ 2,065 crores as against ₹ 2,077 crores in the preceding year, indicating a degrowth of 1%. However, the Company's Other income increased by 56%, rising from ₹ 36 crores last year to ₹ 56 crores in FY 2023-24.

#### Expenses

Total consolidated expenses of the Company increased by 14%, from ₹ 1,617 crores in FY 2022-23 to ₹ 1,837 crores in FY 2023-24. Raw material costs, accounting for a 45% share of the Company's revenues, increased by 4% from ₹ 896 crores in FY 2022-23 to ₹ 935 crores in FY 2023-24 due to the change in business mix and decline in prices of refrigerant gases. Employee expenses, constituting 14% share of the Company's revenues, surged 15% from ₹ 249 crores in the previous year to ₹ 286 crores in FY 2023-24.

### Analysis of the Balance Sheet

#### Sources of Funds

The consolidated capital employed by the Company increased by 8%, reaching ₹ 3,209 crores as of March 31, 2024, compared to ₹ 2,967 crores as of March 31, 2023, driven by additional growth capex undertaken by the Company. Focussed efforts to reduce working capital helped us in reducing the capital employed. Consolidated return on capital employed, a measurement of returns derived from every rupee invested in the business was at 11%. The Company's consolidated net worth increased by 9%, climbing from ₹ 2,185 crores as of March 31, 2023, to ₹ 2,383 crores as of March 31, 2024.

#### Key Ratios

Particulars	Consolidated		Standalone	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
EBITDA/Turnover (%) (before exceptional items)	22	28	21	28
Return on net worth (%)*	11	17	11	16
Book value/share (₹)	481	441	464	432
Earnings per share (₹)*	54.57	75.70	47.44	63.05
Debtors turnover (days)	91	99	82	88
Inventory turnover (days)	66	82	55	73
Current ratio <sup>§</sup>	1.81	2.66	3.68	4.91
Operating profit margin (%)*	11	22	12	23
Net Debt-Equity	0.37	0.37	Negative	Negative
Interest Coverage Ratio <sup>#</sup>	4.80	19.02	49.44	205.13
Net profit margin (%)*	13	18	16	19

Change as compared to previous year is due to:

\* change in business mix, lower operating leverage and pricing pressure in refrigerant gases in export market.

§ better management of receivables and inventory and extended credit period negotiated with vendors and increase in borrowings.

# change in business mix, lower operating leverage and pricing pressure in refrigerant gases in export market and increase in interest cost in current year.

### Application of Funds

The Company's consolidated Property, Plant and Equipments (gross) increased by 17% from ₹ 1,695 crores as on March 31, 2023 to ₹ 1,988 crores as on March 31, 2024.

### Investments

Consolidated total investments (non-current and current) other than investments in subsidiaries and joint venture of the Company increased from ₹ 43 crores as on March 31, 2023 to ₹ 494 crores as on March 31, 2024. Consolidated cash and cash equivalents decreased from ₹ 35 crores as on March 31, 2023 to ₹ 28 crores as on March 31, 2024 aided mainly by affirmative actions on optimising working capital levels.

### Working Capital Management

Consolidated inventories, including raw materials, work-in-progress and finished goods, among others, decreased by 21% from ₹ 468 crores as on March 31, 2023 to ₹ 372 crores as on March 31, 2024. In FY 2023-24, the inventory turnover cycle was 66 days, as against 82 days in FY 2022-23. Trade receivables declined by 9%, reducing from ₹ 562 crores as of March 31, 2023, to ₹ 513 crores as of March 31, 2024. The debtor turnover cycle was 91 days in FY 2023-24, compared to 99 days in the preceding year. The receivables and inventories management continue to be actively managed and are in line with the scope and scale of operations.

### Margins

Consolidated revenue decreased by 1% in FY 2023-24. The EBITDA margin (before exceptional items) of the Company decreased by 720 bps from 27% in FY 2022-23 to 19% in FY 2023-24, while PBT (before exceptional items) decreased by 1,113bps due to change in business mix, lower operating leverage and pricing pressure in refrigerant gases in export market.

## RISK MANAGEMENT

The Company has an efficient Risk Management Framework for the timely and effective identification, assessment, and mitigation of key business risks. This framework is central to achieving NFIL's corporate objectives and business sustainability. The effectiveness of risk management is evaluated based on its well-defined processes and frameworks, supported by robust governance, appropriate delegation of authority, and comprehensive management information systems. The precision of this process has enhanced corporate sustainability, making risk management an integral aspect of corporate philosophy and strategic execution.

### Risk management organisation, roles and responsibilities

The Company's governance principles, including overall risk tolerance, are established by the Board of Directors. Specific functional committees, such as the Risk Management Committee, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility Committee, which include Board Members, report their findings to the Board of Directors. As part of its governance initiative, the Company ensures that members within the risk management structure are well-informed about the risk strategy and processes, ensuring complete transparency and an enhanced ability to manage day-to-day risks.

### Strategic implementation of the risk management cycle

The Company embedded risk management across the organisation to effectively manage risks. Processes including risk identification, measurement, analysis, and assessment, along with risk reporting, mitigation, and review, enable it to monitor the major risks.

**Risk Identification:** The Company utilises relevant systems and indicators (quantitative elements) to identify risks. Additionally, internal reporting protocols enable executives to report risks promptly as they are identified.

**Risk Measurement:** The Company consistently bolsters risk management tools aligned with business functions. Risk is measured at both the organisational and departmental levels based on the department's risk insights.

**Analysis and Assessment:** A key objective of the Company's risk management strategy is to optimise financial performance.

The Company's financial performance reflects the efficacy of its risk management approach.

**Risk Reporting:** The Company creates awareness by regularly evaluating and reporting the efficacy of its risk management strategy to the Risk Management Committee and Board. This process enables the Company to devise and implement counter-risk strategies.

## HUMAN RESOURCES

Human resource management plays a pivotal role in driving the Company's growth. The Company's robust HR policy fosters equality and transparency across the organisation, creating a safe, synergetic, and conducive work environment for employees to deliver optimal results, ensuring that employees' goals align with the organisation's growth vision. Through a structured induction program, HR teams assist new hires in understanding and embracing the organisational culture. Additionally, they focus on employee engagement, recruitment, and retention, providing them with essential knowledge to enhance performance.

The HR team organises employee engagement and employee connect meetings, led by site heads and site HR heads. During these sessions, there is an open exchange of dialogues covering discussions on the Company's vision, future strategies, employee grievances, initiative planning, suggestions, and resolution of other concerns.

The Company conducted regular training programmes aimed at improving employee skills and awareness. These included mandatory safety and quality training sessions (in compliance with cGMP standards), functional and technical skill enhancement workshops, and statutory training covering POSH (Prevention of Sexual Harassment of Women at Workplace). Furthermore, leadership assessment trainings were conducted to groom leaders and fortify succession planning for key positions. The Company, including its subsidiaries, had 1,514 employees as of March 31, 2024.

### Internal Control Systems and Their Adequacy

The Company adheres to comprehensive guidelines, procedures, and processes that are essential components of overall governance, laws, and regulations. All major business processes of the Company are seamlessly integrated and operated through SAP.

The Company has established robust internal control systems, tailored to the size and complexities of its operations. These controls were designed to provide a reasonable level of assurance regarding the accuracy of financial reporting, compliance with applicable laws and statutory requirements, safeguarding and efficient use of assets and resources, and compliance with policies, and procedures. These systems are regularly tested for effectiveness by the statutory and internal auditors.

An independent firm conducts internal audit across the organisation. A well-established internal audit framework is in place, encompassing all aspects of financial and operational controls across all businesses, locations, and functions. The internal auditors review the adequacy, integrity, and reliability of control systems and recommend improvements to their effectiveness. The effectiveness of the controls is evaluated and scored based on control indices. The internal audit team conducts extensive reviews and process improvements identified during the reviews are regularly communicated to the management. Significant findings by the internal auditors

and subsequent actions are periodically reported to the Audit Committee of the Board of Directors. The Audit Committee monitors the implementation of audit recommendations.

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**

**Chairman**

**DIN: 00011350**

Date: May 07, 2024

Place: Mumbai

### Registered Office:

Office No. 602, 6<sup>th</sup> 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 ID: info@nfil.in; Website: www.nfil.in  
CIN: L24110MH1998PLC115499



Annexure 2

# Corporate Governance Report

## 1. THE COMPANY'S PHILOSOPHY ON GOVERNANCE

Effective Corporate Governance ensures that clear responsibility, accountability, risk management, optimization of long-term value creation, transparency, integrity and corporate fairness is given due importance. Thus, Corporate Governance is an effective tool for empowering ethical and moral progress of the Company.

The Company not only adheres to the prescribed Corporate Governance practices as per the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') but also endeavors to inculcate

undeterred commitment to Corporate Governance principles and practices in its day-to-day functioning.

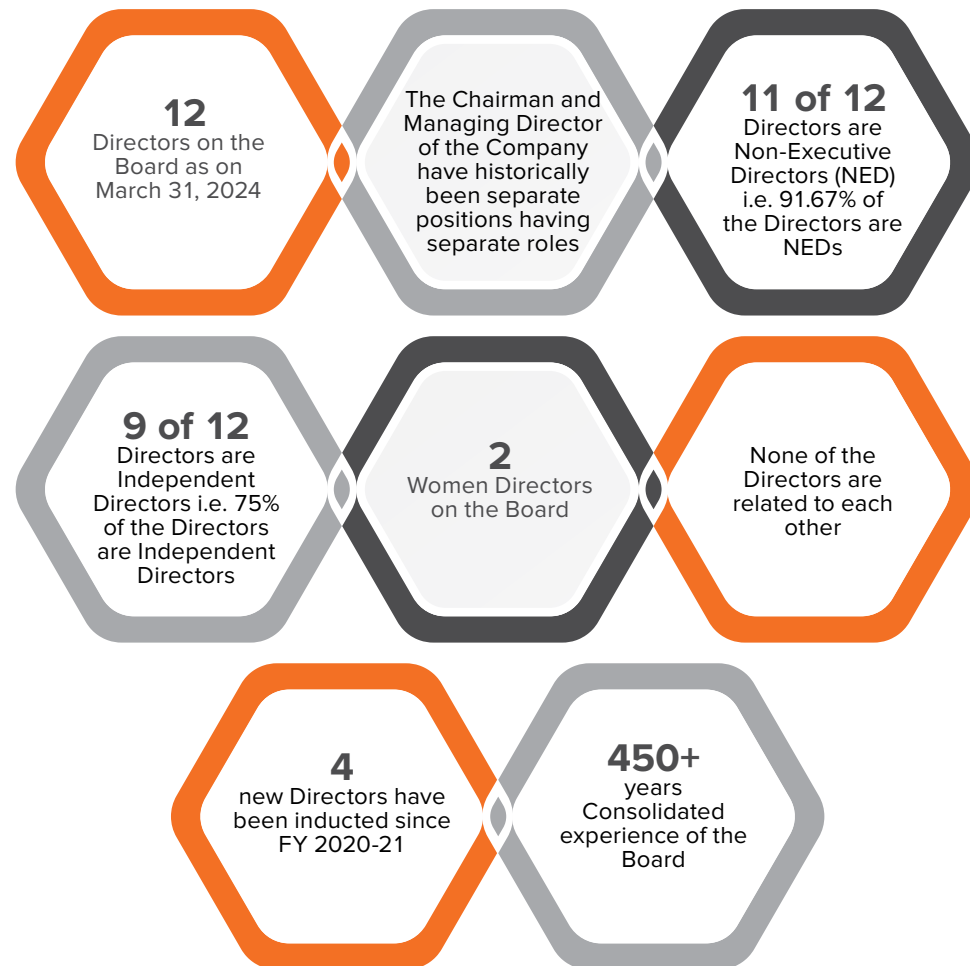
This Report is prepared in accordance with the relevant provisions of the SEBI Listing Regulations and contains the details of Corporate Governance compliances by the Company, as well as the spirit of these practices.

## 2. THE BOARD OF DIRECTORS ('the Board')

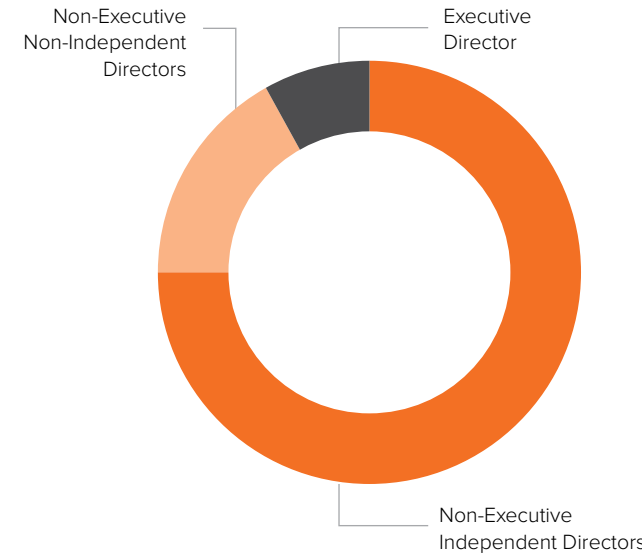
### a) Composition of the Board and its Meetings

The Company has a highly engaged Board steering the Company's strategic transformation. Each Director on the Board of the Company is a reputed professional and brings rich experience to the deliberations of the Board.

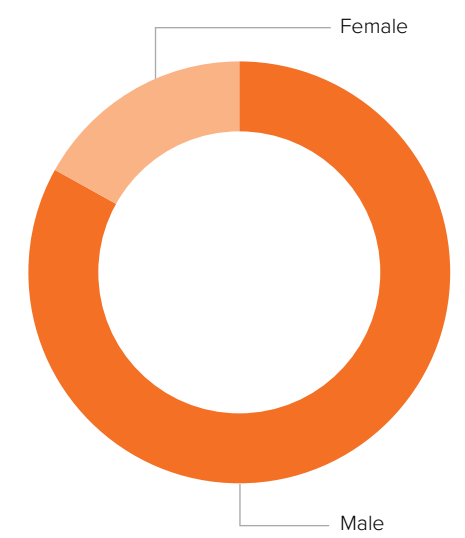
The highlights of the Board structure of the Company are as under:



## Categorywise Composition of the Board



## Genderwise Composition of the Board



The composition of the Board is in conformity with the provisions of the Act and SEBI Listing Regulations, as amended from time to time. Relevant details are as under:

Name of the Directors	Director's Identification No.	Category	No. of Board Meetings attended	Whether attended last AGM held on July 31, 2023	No. of equity shares of ₹2/- each held as on March 31, 2024
Mr. Vishad P. Mafatlal	00011350	Promoter Executive Chairman	9	Yes	7,14,349
Mr. Mohan M. Nambiar	00046857	Non-Executive Non-Independent	8 <sup>^</sup>	Yes	5,027
Mr. Pradip N. Kapadia	00078673	Non-Executive Independent	9	Yes	7,335
Mr. Sunil S. Lalbhai	00045590	Non-Executive Independent	9	Yes	5,275
Mr. Sudhir G. Mankad	00086077	Non-Executive Independent	9	Yes	Nil
Mr. Harish H. Engineer	01843009	Non-Executive Independent	9	Yes	Nil
Ms. Radhika V. Haribhakti	02409519	Non-Executive Independent	9	No	Nil
Mr. Atul K. Srivastava	00046776	Non-Executive Independent	8 <sup>^</sup>	Yes	16,000
Mr. Ashok U. Sinha	00070477	Non-Executive Independent	9	Yes	Nil
Mr. Sujal A. Shah	00058019	Non-Executive Independent	9	Yes	Nil
Ms. Apurva S. Purohit	00190097	Non-Executive Independent	7 <sup>^</sup>	Yes	891
Mr. Sudhir R. Deo	01122338	Non-Executive Non-Independent	6 <sup>*</sup>	N.A.	Nil
Mr. Radhesh R. Welling <sup>§</sup>	07279004	Professional Executive Managing Director	6	Yes	N.A.

<sup>^</sup> Mr. Mohan M. Nambiar and Mr. Atul K. Srivastava could not attend 1 (one) Board Meeting each due to their pre-occupation. Similarly, Ms. Apurva S. Purohit could not attend 2 (two) Board Meetings due to her pre-occupation.

<sup>\*</sup> Mr. Sudhir R. Deo attended all 6 (six) Board Meetings held since his appointment with effect from September 28, 2023.

<sup>§</sup> Mr. Radhesh R. Welling ceased to be Managing Director and Director of the Company pursuant to his resignation effective from the close of business hours on December 15, 2023.

Brief profile of all Directors of the Company is available at <https://www.nfil.in/investor/bod.html>.

During the financial year 2023-24, 9 (nine) meetings of the Board of Directors were held on May 13, 2023, June 30, 2023, July 31, 2023, September 28, 2023, October 31, 2023, December 13, 2023, February 06, 2024, March 11, 2024 and March 14, 2024. The Company has thus complied with the provisions of the Act and SEBI Listing Regulations allowing not more than 120 (one hundred and twenty) days gap between two Board Meetings. All the relevant information such as

production, sales, exports, financial results, capital expenditure proposals and statutory dues, compliance reports including quarterly Corporate Governance Report among others are placed before the Board for its approval/information.

The Company has not issued any convertible instruments and hence the Directors are not holding convertible instruments.

**b) The Directorships along with Memberships / Chairpersonships of various committees held in other companies by Directors of the Company as on March 31, 2024 are as below:**

Name of the Directors	Directorships held #	No. of Committee Memberships/ Chairpersonships §		Names of other listed companies where he/she is a director	
		Member®	Chairperson	Name of the company	Category of Directorship
Mr. Vishad P. Mafatlal	6	-	-	-	-
Mr. Mohan M. Nambiar	4	2	1	ION Exchange (India) Limited	Non-Executive-Independent
Mr. Pradip N. Kapadia	11	7	1	Gokak Textiles Limited Mafatlal Industries Limited	Non-Executive-Independent Non-Executive-Independent
Mr. Sunil S. Lalbhai	8	5	3	Amal Limited Atul Limited Pfizer Limited The Bombay Dyeing and Manufacturing Company Limited	Chairman, Non-Executive and Non-Independent Chairman and Managing Director Non-Executive-Independent Non-Executive-Independent
Mr. Sudhir G. Mankad	1	-	-	-	-
Mr. Harish H. Engineer	2	-	-	-	-
Ms. Radhika V. Haribhakti	8	8	1	EIH Associated Hotels Limited ICRA Limited Torrent Power Limited Bajaj Finance Limited Bajaj Finserv Limited NOCIL Limited	Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent
Mr. Atul K. Srivastava	3	2	1	Mafatlal Industries Limited	Non-Executive-Independent
Mr. Ashok U. Sinha	6	5	3	J.K. Cement Limited The Tata Power Co. Limited Cipla Limited Tata Communications Limited	Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent
Mr. Sujal A. Shah	12	7	1	Mafatlal Industries Limited Amal Limited Hindoostan Mills Limited Deepak Fertilisers & Petrochemicals Corporation Limited NOCIL Limited Atul Limited	Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent
Ms. Apurva S. Purohit	5	3	1	L&T Technology Services Limited LTI Mindtree Limited Marico Limited	Non-Executive-Independent Non-Executive-Independent Non-Executive-Independent
Mr. Sudhir R. Deo	1	-	-	-	-

§ It includes Section 8, private, public and listed companies, including the Company and excludes foreign companies.

® Under this column, membership/chairpersonship of Audit Committee and Stakeholders' Relationship Committee of public companies, including the Company is considered.

® Total No. of membership includes the Committees in which Director is a chairperson.

**c) Skills, Expertise and Competencies of the Board**

The Company believes that a diverse skill set is required for effective contribution to the Board and its Committees and for arriving at balanced decisions. The below list summarizes the key skills, expertise and competencies that the Board thinks necessary for the proper functioning in the context of the Company's business and industry as against the Directors possessing the same:

Name of the Directors	Finance	Sales and marketing / Commercial	Science and technology	Domain Industry	General Management	Legal, including laws related to corporate governance
Mr. Vishad P. Mafatlal	✓	✓	✓	✓	✓	✓
Mr. Mohan M. Nambiar	✓	✓	-	✓	✓	✓
Mr. Pradip N. Kapadia	✓	✓	-	✓	✓	✓
Mr. Sunil S. Lalbhai	✓	✓	✓	✓	✓	✓
Mr. Sudhir G. Mankad	✓	✓	-	✓	✓	✓
Mr. Harish H. Engineer	✓	✓	-	✓	✓	✓
Ms. Radhika V. Haribhakti	✓	✓	-	✓	✓	✓
Mr. Atul K. Srivastava	✓	✓	-	✓	✓	✓
Mr. Ashok U. Sinha	✓	✓	-	✓	✓	✓
Mr. Sujal A. Shah	✓	✓	-	✓	✓	✓
Ms. Apurva S. Purohit	✓	✓	-	✓	✓	✓
Mr. Sudhir R. Deo	✓	✓	✓	✓	✓	✓

**d) Remuneration to Directors**

The details of remuneration paid to the Executive Directors and Non-Executive Directors during the financial year 2023-24 is as under:

Sr. No.	Name of the Directors	Salary and Perquisites	Commission*	Sitting Fees
1.	Mr. Vishad P. Mafatlal	4.40	3.71	-
2.	Mr. Mohan M. Nambiar	-	0.22	0.07
3.	Mr. Pradip N. Kapadia	-	0.22	0.07
4.	Mr. Sunil S. Lalbhai	-	0.22	0.07
5.	Mr. Sudhir G. Mankad	-	0.22	0.05
6.	Mr. Harish H. Engineer	-	0.22	0.06
7.	Mr. Atul K. Srivastava	-	0.22	0.05
8.	Ms. Radhika V. Haribhakti	-	0.22	0.07
9.	Mr. Ashok U. Sinha	-	0.22	0.04
10.	Mr. Sujal A. Shah	-	0.22	0.04
11.	Ms. Apurva S. Purohit	-	0.22	0.04
12.	Mr. Sudhir R. Deo (w.e.f. September 28, 2023)	-	0.22	0.02
13.	Mr. Radhesh R. Welling (upto December 15, 2023)	4.84	0.47	-

\*Payable in financial year 2024-2025.

The remuneration to the Executive Director includes Provident Fund, Superannuation Fund, perquisites, allowances etc. and is in accordance with the Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees.

In addition to payment of sitting fees for attending various meetings, Non-Executive Directors are paid commission in accordance with the prevalent practice in the industry and commensurate with their skills, expertise, experience and time devoted to the Company and also taking into account profits of the Company.

Apart from the above remuneration, there is no other material pecuniary relationship or transactions by the Company with the Directors.

In accordance with the provisions of Section 178(3) of the Act, policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees as recommended by the Nomination and Remuneration Committee and approved by the Board, which includes performance criteria for payment of remuneration, is available at <https://www.nfil.in/investor/policies/Policyardkmpe.pdf.pdf>

**e) Service Contract, Severance fees and Notice Period of Executive Director**

The tenure of Mr. Vishad P. Mafatlal is 5 (five) years from the date of his re-appointment and Notice Period is 6 months as per his re-appointment letter. Other service contracts and severance fees, among others – None.

**f) Familiarization Programme for Independent Directors**

The Company has a detailed familiarization programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities and duties in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of such programmes are available at [https://nfil.in/investor/bod/IDs\\_Familiarization\\_Programme\\_Yearwise.pdf](https://nfil.in/investor/bod/IDs_Familiarization_Programme_Yearwise.pdf)

**g) Independent Directors' Meeting**

Regulation 25 of the SEBI Listing Regulations and Schedule IV to the Act, inter alia, prescribe that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the Management.

A meeting of Independent Directors was held on March 14, 2024 which was attended by all Independent Directors. Mr. Sunil S. Lalbhai was unanimously elected as the Chairman of the meeting of the Independent Directors. At the meeting, the Independent Directors reviewed the performance of the Non-Independent Directors (including the Chairman) and the Board as a whole and assessed the quality, quantity and timelines of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors also interacted with the representatives of the statutory auditors and internal auditors at this Meeting.

**h) Performance Evaluation Criteria for Independent Directors**

Each Independent Director's performance was evaluated as required by Schedule IV of the Act having regard to the following criteria of evaluation viz.: (i) qualification, (ii) experience, (iii) availability and attendance, (iv) integrity, (v) commitment, (vi) governance, (vii) independence, (viii) communication, (ix) preparedness, (x) participation and (xi) value addition.

In the opinion of the Board, all Independent Directors fulfill the independence criteria as specified in Regulation 16 of SEBI Listing Regulations and Section 149(6) of

the Act read with the rules made thereunder; and are independent of the management of the Company.

**3. AUDIT COMMITTEE**

As required under Section 177 of the Act and Regulation 18 read with Part C(A) of Schedule II of SEBI Listing Regulations, the Company has an Audit Committee comprising of:

Sr. No.	Name	Designation
1.	Mr. Sunil S. Lalbhai	Chairman
2.	Mr. Pradip N. Kapadia	Member
3.	Mr. Mohan M. Nambiar	Member
4.	Ms. Radhika V. Haribhakti	Member

The Company Secretary of the Company, Mr. Niraj B. Mankad, acts as the Secretary of the Audit Committee.

During the financial year 2023-24, 7 (seven) meetings of the Committee were held on May 13, 2023, July 31, 2023, September 28, 2023, October 31, 2023, February 06, 2024, March 11, 2024 and March 14, 2024 with attendance of all the members of the Committee.

Executive Chairman, Managing Director, Chief Financial Officer, Statutory Auditors, Internal Auditors and Cost Auditors are usually invited and attend the meetings of the Audit Committee.

The terms of reference of the Audit Committee are as mentioned in the Act and the SEBI Listing Regulations which include:

- 1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b) changes, if any, in accounting policies and practices and reasons for the same;

- c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report, if any;
- 5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - 6) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
  - 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - 8) approval or any subsequent modification of transactions of the Company with related parties;
  - 9) scrutiny of inter-corporate loans and investments;
  - 10) valuation of undertakings or assets of the Company, wherever it is necessary;
  - 11) evaluation of internal financial controls and risk management systems;
  - 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - 14) discussion with internal auditors of any significant findings and follow up thereon;

- 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) to look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) to review the functioning of the whistle blower mechanism;
- 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- 21) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower;
- 22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**4. NOMINATION AND REMUNERATION COMMITTEE**

As required under Section 178(1) of the Act and Regulation 19 read with Part D(A) of Schedule II of SEBI Listing Regulations, the Company has a Nomination and Remuneration Committee comprising of:

Sr. No.	Name	Designation
1.	Ms. Apurva S. Purohit	Chairperson
2.	Mr. Sunil S. Lalbhai	Member
3.	Mr. Mohan M. Nambiar	Member
4.	Mr. Harish H. Engineer	Member

Ms. Apurva S. Purohit was appointed as Chairperson of the Committee with effect from October 31, 2023. Mr. Sunil S. Lalbhai continues as Member of the Committee.

The Company Secretary of the Company, Mr. Niraj B. Mankad, acts as the Secretary of the Nomination and Remuneration Committee.

During the financial year 2023-24, 4 (four) meetings of the Committee were held on May 13, 2023, September 28, 2023, November 03, 2023 and February 05, 2024 with the attendance by all members of the Committee, except that Ms. Apurva S. Purohit was granted leave of absence for the meeting held on September 28, 2023 due to pre-occupation.

The Committee is, inter alia, authorized for identifying persons who are qualified to become Directors and who may be appointed in Senior Management, formulating criteria for evaluating Directors performance, formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, granting of stock options to the eligible employees of the Company, evaluating the balance of skills, knowledge and experience on the Board for the appointment of Independent Directors and recommending remuneration payable to senior management.

#### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As per Section 178(5) of the Act and Regulation 20 read with Part D(B) of Schedule II of the SEBI Listing Regulations, the Company has a Stakeholders' Relationship Committee comprising of:

Sr. No.	Name	Designation
1.	Mr. Pradip N. Kapadia	Chairman
2.	Mr. Atul K. Srivastava	Member
3.	Ms. Radhika V. Haribhakti	Member

Mr. Niraj B. Mankad, Company Secretary of the Company, is the Compliance Officer of the Company and also acts as Secretary of the Stakeholders' Relationship Committee.

During the financial year 2023-24, 2 (two) meetings of the Stakeholders' Relationship Committee were held on May 12, 2023 and October 30, 2023 with the attendance by all members of the Committee.

The terms of reference of the Committee inter-alia, include (a) resolving the grievances of the security holders of the Company including complaints related to transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.; (b) reviewing measures taken for effective exercise of voting rights by shareholders; (c) reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Company's Registrar & Share Transfer Agent; (d) reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Details of investor complaints received and resolved during the financial year 2023-24 are as under:

No. of complaints pending as on April 01, 2023	1
No. of complaints received from April 01, 2023 to March 31, 2024	50
No. of complaints resolved	46
No. of complaints remaining unresolved as on March 31, 2024	5*

\*3 resolved after the year end.

#### 6. RISK MANAGEMENT COMMITTEE

In accordance with Regulation 21 read with Part D(C) of Schedule II of SEBI Listing Regulations, the Company has a Risk Management Committee comprising of:

Sr. No.	Name	Designation
1.	Mr. Vishad P. Mafatlal	Chairman
2.	Mr. Atul K. Srivastava	Member
3.	Mr. Sudhir R. Deo	Member
4.	Mr. Anish P. Ganatra Chief Financial Officer	Member
5.	Mr. Lalit R. Soni - Vice President, Corporate Finance and Treasury	Member

The Company Secretary of the Company, Mr. Niraj B. Mankad, acts as the Secretary of the Risk Management Committee.

During the year, Mr. Radhesh R. Welling ceased to be a member of the Committee pursuant to his resignation effective from the close of business hours on December 15, 2023. To ensure that majority of the Committee members were members of the Board of Directors, Mr. Lalit Soni had resigned as a member of the Committee with effect from close of business hours of December 15, 2023. Further, Mr. Sudhir R. Deo and Mr. Lalit Soni were appointed as members of the Committee with effect from February 06, 2024.

During the financial year, 2 (two) meetings of the Risk Management Committee were held on August 01, 2023 and January 10, 2024 with the presence of all the members, except that Mr. Vishad P. Mafatlal was granted leave of absence for the meeting held on August 01, 2023 due to pre-occupation.

The scope of the Risk Management Committee is as under:

- a. To formulate a detailed risk management policy which shall include:
  - i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks),

information, cyber security risks or any other risk as may be determined by the Committee.

- ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
- iii. Business continuity plan.
- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. To review the risk management policy at least once in two years including by considering the changing industry dynamics and evolving complexity;
- e. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors. Further, the Risk Management Committee regularly evaluates the risk framework. The Company has also laid down procedures to inform the Board Members about the risk assessment and risk mitigation mechanism, which is periodically reviewed and reported to the Board of Directors.

#### 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135(1) of the Act, the Company has a Corporate Social Responsibility Committee comprising of:

Sr. No.	Name	Designation
1.	Mr. Sudhir G. Mankad	Chairman
2.	Mr. Vishad P. Mafatlal	Member
3.	Mr. Harish H. Engineer	Member
4.	Mr. Ashok U. Sinha	Member

Mr. Ashok. U. Sinha was appointed as a Member of the CSR Committee w.e.f. May 13, 2023.

During the financial year 2023-24, 3 (three) meetings of the Corporate Social Responsibility Committee were held on May 11, 2023, October 30, 2023 and December 13, 2023 with the attendance by all members of the Committee.

The Committee is inter alia authorized to formulate and recommend to the Board a CSR Policy, the amount of expenditure to be incurred on the permissible activities, monitoring the CSR Policy from time to time and formulating and recommending to the Board, an annual action plan in pursuance of the CSR policy.

#### 8. FUND RAISING COMMITTEE

In view of the Board decision for fund raising, a Fund Raising Committee of the Board was constituted as under:

Sr. No.	Name	Designation
1.	Mr. Vishad P. Mafatlal	Chairman
2.	Mr. Radhesh R. Welling (upto December 15, 2023)	Member
3.	Mr. Pradip N. Kapadia	Member
4.	Ms. Radhika V. Haribhakti	Member
5.	Mr. Sujal A. Shah	Member

During the year, no meeting of the Committee was held.

#### 9. SENIOR MANAGEMENT

The Board of Directors has identified Senior Management pursuant to Regulation 16(1)(d) of SEBI Listing Regulations. Details of the Senior Management as on March 31, 2024 are as under:

Sr. No.	Name	Designation
1.	Mr. Anish P. Ganatra	Chief Financial Officer
2.	Mr. Niraj B. Mankad	President Legal and Company Secretary
3.	Mr. Amrit Singh	CEO – Specialty Business
4.	Mr. Partha Roychowdhury	CEO – HPP Business
5.	Mr. Rajendra Kumar Sahu	CEO – CDMO Business
6.	Mr. Pankaj Lochan	Chief Human Resource Officer
7.	Mr. R. Janakiraman	Chief Supply Chain Officer
8.	Mr. Sandeep Mandot	Vice President – Corporate Head – HSE & Sustainability

During the financial year 2023-24, the following changes occurred in Senior Management:

Sr. No.	Name	Particulars of change
1.	Mr. Ravi Venkataramanan	Resigned as CEO of CDMO Business and from the services of the Company with effect from the close of business hours of September 30, 2023
2.	Mr. Rajendra Kumar Sahu	Promoted to CEO Designate of CDMO Business with effect from August 18, 2023 and took over as CEO of CDMO Business with effect from October 01, 2023
3.	Mr. Deepak Naik	Resigned as Senior Vice President - HSE & Head – Sustainability and from the services of the Company with effect from the close of business hours of January 15, 2024*
4.	Mr. Sandeep Mandot	Appointed as Vice President – Corporate Head – HSE & Sustainability with effect from March 01, 2024*

\*During the interim period when there was a vacancy of Head – Sustainability, Mr. Gyanchand Jain assumed additional responsibilities of HSE and Sustainability.

## 10. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the Senior Management. The Code reflects the Company's commitment to ethical conduct. The same is available on the Company's website at the link [https://www.nfil.in/investor/code\\_conduct.html](https://www.nfil.in/investor/code_conduct.html).

A certificate from Chairman in this regard is annexed separately to this Report.

## 11. GENERAL MEETINGS

Location and time where the last 3 (three) Annual General Meetings ('AGM') were held:

AGM	Year	Date	Time	Venue	Special Resolutions passed
25 <sup>th</sup>	2022-23	July 31, 2023	3.00 PM (IST)	Via Video Conferencing/ Other Audio Visual Means (The deemed venue of the AGM was the Registered Office of the Company)	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Radhesh R. Welling (DIN:07279004) as Managing Director, of the Company for a period of 5 years commencing from December 11, 2023 to December 10, 2028</li> <li>Re-appointment of Mr. Atul K. Srivastava (DIN: 00046776) as Independent Director for 5 consecutive years w.e.f. June 21, 2024</li> <li>Giving loans, guarantees, providing securities or making investments in excess of limits prescribed under Section 186 of the Companies Act, 2013</li> <li>Raising of funds for an aggregate amount not exceeding ₹750 crores</li> </ol>
24 <sup>th</sup>	2021-2022	July 27, 2022			<ol style="list-style-type: none"> <li>Re-appointment of Mr. Mohan M. Nambiar (DIN: 00046857) as Non-Executive Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment</li> <li>Appointment of Ms. Apurva S. Purohit (DIN: 00190097) as Independent Director of the Company for a term of 5 consecutive years commencing from October 19, 2021</li> <li>Adoption of new Articles of Association in place of existing Articles of Association of the Company</li> <li>Approval for giving loans, guarantees, providing securities or making investments in excess of limits prescribed under Section 186 of the Companies Act, 2013</li> <li>Approval for selling, disposing and leasing the assets of Navin Fluorine Advanced Sciences Limited, the Material Subsidiary of the Company</li> <li>Approval for payment of commission to Non-Executive Directors of the Company</li> </ol>
23 <sup>rd</sup>	2020-2021	July 26, 2021			Re-appointment of Mr. Vishad P. Mafatlal (DIN:00011350) as Executive Chairman, designated as Chairman of the Company for a tenure of 5 years w.e.f. August 20, 2021

During the year under review, no special resolution was passed through postal ballot. There is no immediate proposal for passing any resolution through postal ballot.

## 12. GENERAL SHAREHOLDERS' INFORMATION

### A. 26<sup>th</sup> Annual General Meeting

Date and Time	August 01, 2024 at 3.00 PM (IST)
Venue	Through Video Conferencing / Other Audio-Visual Means (The deemed venue of the AGM shall be the Registered Office of the Company.)
<b>B. Financial year</b>	April 01, 2023 to March 31, 2024
Financial calendar (tentative)	Board Meeting for considering unaudited quarterly financial results is generally held within 30 days from the end of the quarter and for considering annual audited financial results is generally held within 45 days of the financial year
<b>C. Record Date for Final Dividend</b>	July 05, 2024
<b>D. Dividend payment date</b>	On or after August 07, 2024
<b>E. Listed on Stock Exchanges</b>	<p><b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400001</p> <p><b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai 400051 The Listing Fees for the financial year 2023-24 have been paid to both the Stock Exchanges.</p>
<b>F. Stock Code</b>	BSE Scrip Code: 532504 NSE Symbol: NAVINFLUOR
<b>G. International Securities Identification No. (ISIN)</b>	INE048G01026

### H. Monthly high and low of market price during each month of the financial year 2023-24

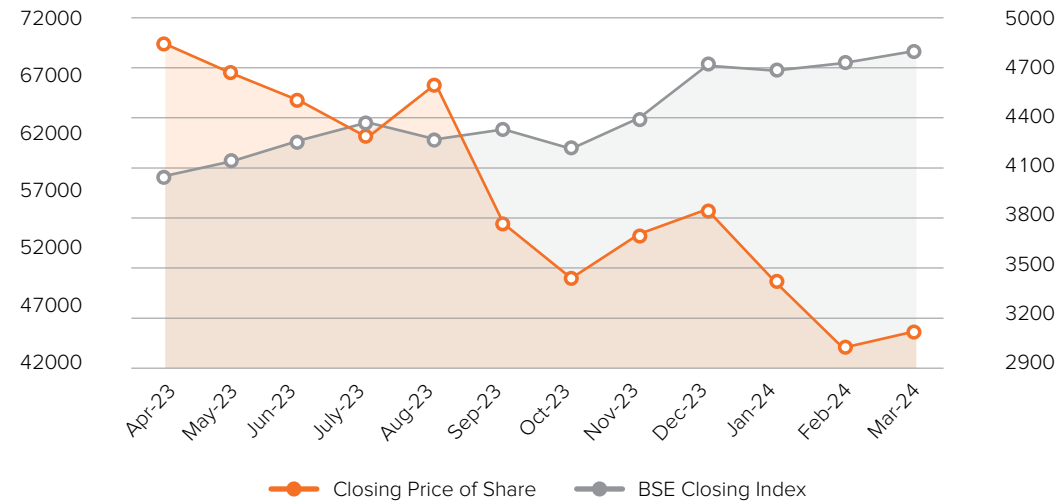
Month	Highest	Lowest	BSE		
			BSE Sensex Highest	BSE Sensex Lowest	No. of shares traded
Apr-23	4,862.90	4,196.50	61,209.46	58,793.08	88,133
May-23	4,922.00	4,512.15	63,036.12	61,002.17	3,94,312
Jun-23	4,749.90	4,365.65	64,768.58	62,359.14	1,71,545
Jul-23	4,650.00	4,193.45	67,619.17	64,836.16	1,58,831
Aug-23	4,673.25	4,220.85	66,658.12	64,723.63	1,45,857
Sep-23	4,724.85	3,729.00	67,927.23	64,818.37	1,53,424
Oct-23	3,862.25	3,358.00	66,592.16	63,092.98	3,00,601
Nov-23	3,743.00	3,373.95	67,069.89	63,550.46	1,53,762
Dec-23	3,979.00	3,679.70	72,484.34	67,149.07	1,38,813
Jan-24	3,892.80	3,287.00	73,427.59	70,001.60	2,52,546
Feb-24	3,417.70	2,991.00	73,413.93	70,809.84	2,46,779
Mar-24	3,187.00	2,900.20	74,245.17	71,674.42	1,67,501

**NSE**

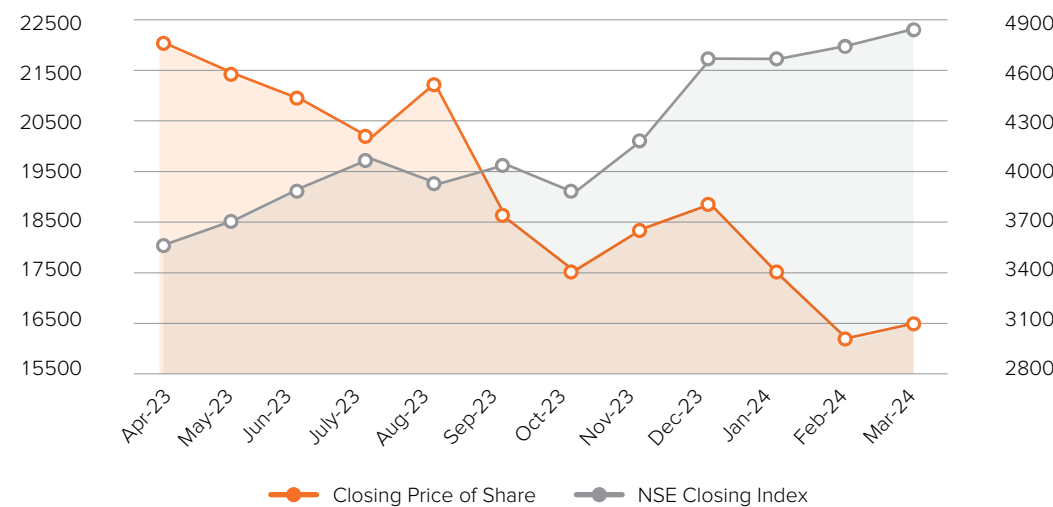
Month	Highest	Lowest	NSE Nifty Highest	NSE Nifty Lowest	No. of shares traded
Apr-23	4,865.40	4,194.45	18,089.15	17,312.75	25,41,702
May-23	4,950.00	4,511.25	18,662.45	18,042.40	37,49,485
Jun-23	4,744.95	4,366.00	19,201.75	18,464.55	26,22,055
Jul-23	4,651.20	4,203.50	19,991.85	19,234.40	42,33,760
Aug-23	4,672.00	4,225.00	19,795.60	19,223.65	45,01,355
Sep-23	4,724.25	3,726.65	20,222.45	19,255.70	54,98,791
Oct-23	3,863.00	3,356.55	19,849.75	18,837.85	74,29,118
Nov-23	3,744.45	3,375.00	20,158.70	18,973.70	35,57,938
Dec-23	3,979.45	3,680.20	21,801.45	20,183.70	31,22,796
Jan-24	3,897.40	3,286.80	22,124.15	21,137.20	50,20,786
Feb-24	3,422.60	2,988.95	22,297.50	21,530.20	61,73,959
Mar-24	3,188.00	2,899.25	22,526.60	21,710.20	35,96,001

**I. Performance in comparison to broad based indices**

**Company's share price and BSE Sensex**



**Company's share price and NSE Nifty**



**J. Registrar and Share Transfer Agent**

KFin Technologies Limited is the Registrar and Share Transfer Agent ('RTA') of the Company and its correspondence address is as under:

**KFin Technologies Limited**

Selenium Tower "B", Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032  
 Toll Free No.: 1800 309 4001; Tel. No.: + 91 40 6716 2222  
 WhatsApp No. +91 91000 94099  
 Fax No.: + 91 40 2342 0814  
 KPRISM (Mobile Application): <https://kprism.kfintech.com/>  
 Investor Support Centre: <https://ris.kfintech.com/clientservices/isc>  
 E-mail ID: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
 Website: <https://www.kfintech.com>

**Mumbai Office:**

6/8 Ground Floor, Crossely House  
 Near BSE,  
 Next to Union Bank, Fort,  
 Mumbai 400001  
 Tel: +91 22 6623 5454  
 Fax: +91 22 6633 1135

**Ahmedabad Office:**

Office No. 401, 4<sup>th</sup> floor,  
 ABC-1, Off C.G. Road, Ahmedabad 380009  
 Cont. No.: + 91 90819 03021 / 90819 03022  
 E-mail ID: [ahmedabadmfd@kfintech.com](mailto:ahmedabadmfd@kfintech.com)

**K. Share Transfer System**

In terms of Regulation 40(1) of SEBI Listing Regulations as amended, securities can be transferred only in dematerialized form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Pursuant to SEBI Circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. All the share related activities including redressal of shareholders'/investors' grievances are being handled by the Company's RTA. The Company has obtained certificate from Makarand M. Joshi and Co., Practicing Company Secretaries, for the financial year ended March 31, 2024 certifying the compliances as required under Regulation 40(9) of the SEBI Listing Regulations and has filed the said certificate with the Stock Exchanges.

**L. Distribution of Shareholding as on March 31, 2024**

Slab	No. of shareholders	% of shareholders	No. of shares	% of total share capital
1 - 500	1,79,621	98.28	57,36,772	11.57
501 - 1,000	1,485	0.81	10,82,520	2.18
1,001 - 2,000	871	0.48	12,99,372	2.62
2,001 - 3,000	240	0.13	6,13,324	1.24
3,001 - 4,000	110	0.06	4,05,177	0.82
4,001 - 5,000	88	0.05	4,63,774	0.94
5,001 - 10,000	139	0.08	10,21,659	2.06
10,001 and above	205	0.11	3,89,50,802	78.57
<b>TOTAL</b>	<b>1,82,759</b>	<b>100.00</b>	<b>4,95,73,400</b>	<b>100.00</b>

#### M. Shareholding Pattern as on March 31, 2024

Sr. No	Category	No. of shares held	% of holding
1.	Promoters	1,42,79,724	28.81
2.	Resident Individuals	1,09,06,823	22.00
3.	Mutual Funds / AIFs	85,45,134	17.24
4.	Foreign Portfolio Investors	77,20,562	15.57
5.	Qualified Institutional Buyers	56,23,511	11.34
6.	Bodies Corporate	8,39,615	1.69
7.	NRIs	6,16,238	1.24
8.	Investor Education and Protection Fund (IEPF)	5,61,745	1.13
9.	HUF	3,68,952	0.74
10.	Clearing Members	32,149	0.06
11.	Banks / Financial Institutions	11,554	0.02
12.	NBFCs	2,051	0.01
13.	Trusts	1,240	0.00
14.	Others	64,102	0.15
<b>Total</b>		<b>4,95,73,400</b>	<b>100.00</b>

#### N. Dematerialization of Shares and Liquidity

The Company's Equity Shares are regularly traded on BSE Limited and National Stock Exchange of India Limited. As on March 31, 2024, 1,69,644 shareholders were holding 4,88,66,792 equity shares in demat form which constitutes 98.57% of the total number of issued shares of the Company.

The shareholders holding shares in physical form are requested to dematerialize their shares for safeguarding their holdings and managing the same hassle free. Shareholders holding physical shares are requested to complete their KYC as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. More details including the said SEBI Circular dated March 16, 2023 are available on <https://www.nfil.in/investor/downloads.html>. Shareholders are accordingly requested to contact any of the Depository participants registered with SEBI to open a demat account.

#### O. Outstanding GDR / ADR / Warrants / any convertible instruments: Not applicable

#### P. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has a Board approved Foreign Currency Risk Management Policy. Any risk arising from exposure to foreign currency for exports and imports is being hedged on a continuous basis. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required.

#### Q. Address for correspondence

Navin Fluorine International Limited  
Office No. 602, 6<sup>th</sup> floor, Natraj by Rustomjee,  
Near Western Express Highway,  
194, Sir Mathuradas VasANJI Road, Andheri (East),  
Mumbai 400069, India  
Tel. No.: +91 22 6650 9999 Fax: +91 22 6650 9800  
Website: [www.nfil.in](http://www.nfil.in); E-mail ID: [investor.relations@nfil.in](mailto:investor.relations@nfil.in)

#### R. Plant Locations

- Navin Fluorine, Bhestan, Surat 395023 (Gujarat)
- Navin Fluorine, Dewas 455002 (Madhya Pradesh)
- Navin Fluorine, Dahej, Bharuch 392130 (Gujarat) (Plant of Navin Fluorine Advanced Sciences Limited, wholly owned subsidiary of the Company)

#### S. Credit Ratings

The Company has maintained its credit rating at 'CARE AA', indicating high degree of safety with respect to timely servicing of financial obligations and very low credit risk, for long-term borrowings. The rating for short-term facilities has been maintained at 'CARE A1+', indicating very strong degree of safety with respect to timely servicing of its short-term financial obligations and lowest credit risk.

#### 13. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly results are posted by the Company on its website. These are also submitted to BSE Limited and National Stock Exchange of India Limited as per Regulation 33 of SEBI Listing Regulations.

Quarterly results normally published/proposed to be published in Newspapers	In Marathi – Maharashtra Times In English – The Economic Times
Details of Company Website where results are displayed	<a href="https://www.nfil.in/investor/inv_finan.html">https://www.nfil.in/investor/inv_finan.html</a>
Whether it displays official news release; and the presentations made to institutional investors or to the analysts	Yes

The presentations on performance of the Company are placed on the Company's website and submitted to Stock Exchanges for the benefit of the institutional investors, analysts and other shareholders after the financial results are communicated to the Stock Exchanges. The Company also conducts calls/meetings with investors after declaration of quarterly financial results to brief them on the performance of the Company and audio recording and transcript of such calls/meetings are uploaded on the Company's website and Stock Exchanges.

Material developments related to the Company that are potentially price-sensitive in nature or that could impact continuity of publicly available information regarding the Company are disclosed to stock exchanges as per the Company's Policy for Determination of Materiality of events or Information which is available at <https://www.nfil.in/investor/policies/Policy%20for%20determination%20of%20materiality%20of%20events%20or%20information.pdf>.

The Company has a designated email id i.e. [investor.relations@nfil.in](mailto:investor.relations@nfil.in) for investor servicing, and the same is prominently displayed on the Company's website.

Reminders are sent to shareholders for registering their KYC details, claiming their unpaid/unclaimed dividend and preventing transfer of their shares to Investor Education and Protection Fund.

#### 14. OTHER DISCLOSURES

- None of the transactions with any of the related parties were in conflict with the interest of the Company.
- The details of the related party transactions are set out in the notes to annual audited financial statements forming part of this Annual Report.
- The Company has complied with the requirements of the Stock Exchanges, SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these authorities on any matter related to capital markets.

d) In accordance with the requirements of the Act and SEBI Listing Regulations, the Company has a Whistle Blower Policy approved by the Board of Directors and the objectives of the Policy are:

- To provide a mechanism for employees and Directors of the Company and other persons dealing with the Company to report to the Audit Committee, any instances of unethical behavior, actual or suspected fraud or violation of the Company's Ethics Policy;
- To safeguard the confidentiality and interest of such Employees/Directors/other persons dealing with the Company against victimization, who notice and report any unethical or improper practices; and
- To appropriately communicate the existence of such mechanism, within the organization and to outsiders.

Whistle Blower Policy is available on the Company's website at <https://www.nfil.in/investor/policies/Whistle%20Blower%20Policy.pdf>. The Company confirms that no personnel have been denied access to the Audit Committee pursuant to the whistle blower mechanism.

e) The Company has complied with all the mandatory requirements of SEBI Listing Regulations, in respect of corporate governance. The following non-mandatory requirements as specified in Part E of Schedule II of SEBI Listing Regulations have been adopted by the Company:

- The Internal Auditors report directly to the Audit Committee.
- The Auditors' Report does not contain any qualification.

f) The Company's policy for determining 'Material' Subsidiaries and policy on materiality of related party transactions and on dealing with related party transactions are available on the Company's website at: [https://www.nfil.in/investor/policies/mspf\\_01042019.pdf](https://www.nfil.in/investor/policies/mspf_01042019.pdf) and <https://www.nfil.in/investor/policies/pmrprpt.pdf> respectively.

g) The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required.

h) There were no instances of raising of funds through preferential allotment or qualified institutions

- placement as specified under Regulation 32(7A) of the SEBI Listing Regulations though the resolution for fund raising has been approved by the Members of the Company at the 25<sup>th</sup> Annual General Meeting.
- i) The Company has obtained a certificate from Mitesh Dhabliwala & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI, MCA or any such statutory authority.
- j) In terms of SEBI Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory committees.
- k) During the financial year 2023-24, the total fees paid by the Company and its subsidiaries, on a consolidated basis, to Price Waterhouse Chartered Accountants LLP, the Statutory Auditors, and all entities in the network firm/network entity of Price Waterhouse Chartered Accountants LLP was ₹0.94 crores.
- l) The Company has in place a gender neutral Anti-Sexual Harassment Policy which aims to create a healthy working environment that enables employees to work without fear of prejudice. An Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. During the year, no complaint of sexual harassment was received.
- m) There is nothing to disclose with respect to loans and advances in the nature of loans to firms/companies in which Directors are interested. As on March 31, 2024, the Company has given Inter Corporate Deposits to Navin Fluorine Advanced Sciences Limited ('NFASL'), a wholly owned subsidiary, to the extent of ₹230 crores .
- n) The Company has one material subsidiary, NFASL. NFASL was incorporated on February 06, 2020 in Mumbai. NFASL's plant is located at Dahej in Bharuch district of Gujarat.

At the 1<sup>st</sup> AGM of NFASL on June 03, 2021, Price Waterhouse Chartered Accountants LLP had been appointed as Statutory Auditors for a term of 5 (five) consecutive years commencing from the conclusion of 1<sup>st</sup> Annual General Meeting till the conclusion of 6<sup>th</sup> Annual General Meeting.

Further details of NFASL are mentioned under the head 'Subsidiaries, Associates and Joint Ventures' in the Directors' Report.

- o) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI Listing Regulations, during the year under review. The Compliance Certificate from Parikh & Associates, Practicing Company Secretaries, certifying compliance with the conditions of Corporate Governance is annexed to this Report.
- The Company submits quarterly Corporate Governance Report to the Stock Exchanges as per Regulation 27 of the SEBI Listing Regulations. The same is also being made available on the Company's website at [https://www.nfil.in/investor/inv\\_corp.html](https://www.nfil.in/investor/inv_corp.html)
- p) The Company has no unclaimed suspense account under Regulation 39 and Schedule VI of SEBI Listing Regulations and hence, there is nothing to disclose in this regard.
- q) There is nothing to disclose with respect to agreements under clause 5A of part A of para A of Schedule III of SEBI Listing Regulations.

#### 15. CHAIRMAN AND CFO CERTIFICATION

The Chairman and the Chief Financial Officer of the Company have submitted annual certification on financial reporting and internal controls and certification on Financial Results to the Board in terms of SEBI Listing Regulations.

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

Date: May 07, 2024  
Place: Mumbai

#### Registered Office:

Office No. 602, 6<sup>th</sup> 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 ID: [info@nfil.in](mailto:info@nfil.in); Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

**Vishad P. Mafatlal**  
**Chairman**  
**DIN: 00011350**

### Annexure to Corporate Governance Report

## Declaration regarding Compliance with the Code of Conduct

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct of the Company for the financial year ended March 31, 2024.

For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**  
**Chairman**  
**DIN: 00011350**

Date: May 07, 2024  
Place: Mumbai



## Practising Company Secretaries' Certificate on Corporate Governance

Annexure 3

TO THE MEMBERS OF  
**NAVIN FLUORINE INTERNATIONAL LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Navin Fluorine International Limited ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the representations and explanations given to us, the disclosures made by the management in the Corporate Governance Report and to the stock exchanges and considering the relaxations granted by the Ministry of Corporate Affairs and, Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

For **Parikh & Associates**  
Practising Company Secretaries

**MITESH DHABLIWALA**  
FCS: 8331 CP: 9511  
UDIN: F008331F000322471  
PR No.:1129/2021

Mumbai  
Date: May 07, 2024

## Business Responsibility and Sustainability Report

### SECTION A: GENERAL DISCLOSURE

#### I. Details of the Listed Entity

<b>1 Corporate Identity Number (CIN) of the Listed Entity</b>	L24110MH1998PLC115499
<b>2 Name of the Listed Entity</b>	Navin Fluorine International Limited
<b>3 Year of incorporation</b>	1998
<b>4 Registered office address</b>	Office No. 602, 6 <sup>th</sup> Floor, Natraj by Rustomjee, Near Western Express Highway, 194, Sir Mathuradas VasANJI Road, Andheri (East), Mumbai 400069
<b>5 Corporate address</b>	Office No. 602, 6 <sup>th</sup> Floor, Natraj by Rustomjee, Near Western Express Highway, 194, Sir Mathuradas VasANJI Road, Andheri (East), Mumbai 400069
<b>6 E-mail</b>	info@nfil.in
<b>7 Telephone</b>	+91 22 6650 9999
<b>8 Website</b>	<a href="http://www.nfil.in">www.nfil.in</a>
<b>9 Financial year for which reporting is being done</b>	April 01, 2023, to March 31, 2024
<b>10 Name of the Stock Exchange(s) where shares are listed</b>	1. BSE Limited 2. National Stock Exchange of India Limited
<b>11 Paid-up Capital</b>	Fully Paid-Up Share Capital INR 9,91,37,880 Partly Paid-Up Share Capital INR 8,920
<b>Contact Person</b>	
<b>12 Name and contact detail (telephone email address) of the person who may be contacted in case any queries on the BRSR report</b>	Name: Mr. Abhishek Gupta Telephone No.: +91 22 6650 9999 E-mail ID: abhishek.gupta@nfil.in
<b>Reporting Boundary</b>	
<b>13 Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements taken together)</b>	The report is prepared following a consolidation approach. The reporting boundary encompasses data and information gathered from Navin Fluorine International Limited (Surat, Gujarat, and Dewas, Madhya Pradesh), Navin Fluorine Advanced Science Limited (Dahej, Gujarat), and registered office (Mumbai) (hereafter referred to as 'Navin Fluorine' or 'the Company')
<b>14 Name of assurance provider</b>	For FY 2023-24, the assurance of BRSR core applies to the top 150 listed entities as per market capitalisation. Navin Fluorine does not fall within this category.
<b>15 Type of assurance obtained</b>	

#### II. Product/Services

##### 16. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Navin Fluorine is one of the largest and most respected Indian manufacturers of specialty fluorochemicals	High-Performance Products, Specialty Fluorochemicals, Contract Development and Manufacturing Organisation	97%

##### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Synthetic cryolite, fluorocarbon gases	2011	39%
2	Hydrofluoric acid and other fluorine chemicals	2011	49%
3	Other Chemicals	2011	12%

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	6	9
International	0	3	3

#### 19. Market served by the entity

##### a. Number of locations

Locations	Numbers
National (No. of States/UTs)	26 (21 States and 5 Union Territories)
International (No. of Countries)	27

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

65%

##### c. A brief on types of customers

Navin Fluorine serves the evolving requirements of distinguished clients globally. These clients encompass prominent entities in global life science and crop science, leading figures in the stainless-steel manufacturers, air-conditioner OEMs, and other users of fluorochemicals downstream. The Company is dedicated to consistently meeting the diverse needs of its esteemed clientele.

### IV. Employees

#### 20. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
1	Permanent Employees (D)	1,328	1,274	95.93%	54	4.07%
2	Other than Permanent Employees (E)	0	0	0	0	0
<b>3</b>	<b>Total Employees (D+E)</b>	<b>1,328</b>	<b>1,274</b>	<b>95.93%</b>	<b>54</b>	<b>4.07%</b>
<b>Workers</b>						
4	Permanent (F)	159	159	100%	0	0
5	Other than Permanent (G)	949	908	95.68%	41	4.32%
<b>6</b>	<b>Total Workers (F+G)</b>	<b>1,108</b>	<b>1,067</b>	<b>96.30%</b>	<b>41</b>	<b>3.70%</b>

##### b. Differently abled employees and workers

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently abled Employees</b>						
1	Permanent Employees (D)	2	2	100%	0	0
2	Other than Permanent Employees (E)	0	0	0	0	0
<b>3</b>	<b>Total Differently Abled Employees (D+E)</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>Differently abled Workers</b>						
4	Permanent (F)	9	9	100%	0	0
5	Other than Permanent (G)	0	0	0	0	0
<b>6</b>	<b>Total Differently Abled Workers (F+G)</b>	<b>9</b>	<b>9</b>	<b>100%</b>	<b>0</b>	<b>0</b>

### 21. Participation/Inclusion/Representation of women

Sr. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	12	2	17%
2	Key Management Personnel*	2	0	0

\*Excludes Directors of the Company

### 22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.41	13.44	17.55	19.36	8.62	18.86	13.29	14.63	13.36
Permanent Workers	6.72	0.00	6.72	7.78	0.00	7.78	6.94	0.00	6.94

### V. Holding, Subsidiary and Associate Companies (including joint ventures)

#### 23. Name of the holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Navin Fluorine Advanced Sciences Limited (NFASL)	Wholly Owned Subsidiary	100%	Yes
2.	Sulakshana Securities Limited	Wholly Owned Subsidiary	100%	No
3.	Manchester Organics Limited	Wholly Owned Subsidiary	100%	No
4.	NFIL (UK) Limited	Wholly Owned Subsidiary	100%	No
5.	NFIL USA, INC.	Wholly Owned Subsidiary	100%	No
6.	Navin Fluorine (Shanghai) Co, Limited	Wholly Owned Subsidiary	100%	No
7.	Swarnim Gujarat Fluorspar Private Limited	Joint Venture	49.48%	No

### VI. CSR Details

#### 24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes

ii. Turnover (₹ in crores) 2,065.01 (Consolidated)

iii. Net worth (₹ in crores) 2,382.67 (Consolidated)

**VII. Transparency and Disclosures Compliances**

**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023- 24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
<b>Communities</b>	Yes, Navin Fluorine addresses the concerns of the communities (inclusive of vulnerable and marginalized groups) through continuous interactions with them. The Company also has in place a dedicated Corporate Social Responsibility policy in place which encompasses the Company's philosophy for describing its responsibility as a corporate citizen, and lays down the guiding principles for the selection, implementation, and monitoring of its CSR activities. <a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>	0	0	-	0	0	-
<b>Shareholders</b>	The Company consistently works towards serving its investors and takes necessary steps from time to time for expeditious redressal of investor grievances. The Company has appointed KFin Technologies Limited (KFinTech) to discharge investor service functions on behalf of the Company. KFinTech is a Qualified Registrar and Transfer Agent with a vast number of Investor Service Centres across the country. It is entrusted with handling all share related matters including transmission, transposition, nomination, dividend, change of name/address/ signature, demat/remat of shares, issue of duplicate certificates, etc <a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>	50	5*	The complaints from shareholders pertain to service requests raised with the Company/ KFinTech.	65	1	The complaints from shareholders pertain to service requests raised with the Company/ KFinTech. The pending complaint is since resolved.
<b>Investors (other than shareholders)</b>							
<b>Employees and workers</b>	Yes, Navin Fluorine encourages ethical and transparent business conduct for all its employees and workers. The Company has incorporated the Whistle Blower Policy which provides a vigil mechanism to report any instance of unethical behavior against the employees and workers of the Company. <a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>	14	0	Resolved all complaints	6	0	Resolved all complaints

\*3 resolved after the year end.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023- 24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
<b>Customers</b>	Navin Fluorine is a customer-oriented Company. It undertakes regular customer satisfaction surveys which enables it to enhance its performance. <a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>	18	0	Resolved all complaints	42	0	Resolved all complaints
<b>Value Chain Partners</b>	The Organization has an online complaints/grievances platform for the value chain partners. <a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>	0	0	-	0	0	-
<b>Other</b>	<a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>	-	-	-	-	-	-

**26. Overview of the entity's material responsible business conduct issues:**

Sr. No	Material issue identified	Indicate whether Risk or Opportunity	Rationale for identifying Risk/ Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Energy	Risk	Inadequate energy management poses a significant risk for companies due to its potential to escalate energy consumption, elevate costs, and generate adverse environmental effects.	The Company's environmental commitment drives proactive measures. This includes prioritizing the use of natural gas as a fuel wherever feasible and transitioning to renewable energy sources gradually. This phased approach aims to mitigate environmental impacts effectively while aligning with sustainable practices.	Negative
2.	Carbon Emission & Climate Change	Risk	The Indian Government is committed to achieving NET ZERO emissions by 2070, leading to the introduction of policies to curb greenhouse gas emissions and promote renewable energy. Companies not prepared for emerging energy and emissions regulations face significant financial, reputational, and operational risks.	To mitigate these risks, the Company has introduced hydrofluoroolefins (HFOS), which have zero ozone-depleting potential compared to Ozone Depleting Substances (ODS). Additionally, the Company has implemented the following measures: <ul style="list-style-type: none"> <li>Thermal oxidizers</li> <li>Vent condensers on storage tanks to eliminate fugitive emissions</li> </ul> Furthermore, the Company has been strategically transitioning from ozone-depleting to non-ozone-depleting products. The Company has also developed strategies for carbon emission reduction, water recycling, landfill management, and increased usage of renewable energy sources.	Negative

Sr. No	Material issue identified	Indicate whether Risk or Opportunity	Rationale for identifying Risk/ Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
3.	Waste	Risk	Ensuring proper waste disposal from operations is crucial for safeguarding the environment, public health, and safety. Incorrect handling of chemical waste can lead to the release of harmful substances into the air, soil, and water, posing a threat to local ecosystems, wildlife, and nearby communities. Exposure to hazardous chemicals due to inadequate waste management practices can result in various health issues such as respiratory ailments, cancer, and reproductive disorders.	Each plant manages its waste through authorized and registered vendors, adhering to environmental regulations. This ensures responsible disposal practices, minimizing the risk of environmental pollution and associated health hazards.	Negative
4.	Water	Risk	Chemical production is inherently water-intensive, making it susceptible to risks associated with water scarcity. Such scarcity can disrupt operations, supply chains, and inflate raw material costs, thereby impacting finances. Additionally, it can jeopardize the health and safety of employees and the local community, leading to potential legal and reputational risks.	Recognizing the critical importance of water conservation, the Company has implemented strategic measures. At one of its facilities, zero liquid discharge has been achieved, while at another, discharged water undergoes treatment in a sewage treatment plant. The treated water is then recycled for utility processes, thereby reducing the Company's reliance on fresh water sources and mitigating the impacts of water scarcity.	Negative
5.	Biodiversity	Opportunity	Increasing biodiversity can enhance ecosystem resilience and support sustainable practices. Biodiverse ecosystems are more resilient to environmental changes, such as climate variability and extreme weather events.	-	Positive
6.	Employee Retention and Satisfaction	Opportunity	Employee retention is a pressing concern for organizations seeking to strengthen their workforce. High turnover rates can disrupt operations and hinder growth. Companies that prioritize employee retention and satisfaction often enjoy higher levels of engagement and commitment from their workforce.	Town hall briefing, goal setting, performance appraisal, exit interviews, wellness programs, emails, etc.	Positive
7.	Learning and Development	Opportunity	Embracing employee learning and development offers companies a chance to boost employee engagement, retention, job satisfaction, and performance, while also fostering organizational agility.	Internal and External training seminars, conferences, workshops, and specific learning module courses on a case-to-case basis.	Positive

Sr. No	Material issue identified	Indicate whether Risk or Opportunity	Rationale for identifying Risk/ Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
8.	Sustainable Raw Material Sourcing	Risk	Reliance on unsustainable sourcing methods could lead to resource depletion, regulatory issues, or reputational damage. Unsustainable sourcing practices can result in the depletion of natural resources, leading to environmental degradation, habitat destruction, and loss of biodiversity.	Implement sustainable sourcing practices, diversify the supply chain, and invest in alternative materials.	Negative
9.	Sustainable Supply Chain Strategy	Risk	Supply chain disruptions can cause delays in production, increase the cost of raw materials, and affect customer satisfaction. Therefore, it is essential to develop robust supply chain risk management strategies to mitigate the impact of supply chain disruptions and ensure business continuity.	The Company has reviewed the sustainable supply chain code and has implemented the revised version in FY 23. The Supply chain engagement has been conducted for key suppliers to strengthen sustainable sourcing	Negative
10.	Local Community Development	Opportunity	Local communities are critical stakeholders for companies, as they can directly or indirectly impact a company's operations, reputation, and social license to operate. Companies that engage with local communities and understand their needs and expectations can benefit from stronger relationships, improved trust and credibility, and enhanced access to resources and markets.	Community visits, project engagements, partnership programs, seminars, and workshops.	Positive
11.	Diversity and Inclusion	Opportunity	Embracing diversity fosters innovation, enhances employee engagement, and improves corporate reputation. It leads to a wider range of perspectives and ideas, which can drive creativity and problem-solving. Additionally, inclusive workplaces tend to have higher employee satisfaction and retention rates, which contribute to overall productivity and competitiveness	Implement diversity and inclusion initiatives, ensure equitable hiring and promotion practices, and provide diversity training and education.	Positive
12.	Occupational Health and Safety	Risk	Neglecting the health, safety, and welfare of employees can significantly hamper productivity, subsequently impacting business operations, customer satisfaction, and profitability.	The Company has an online portal to log incidents in detail which gets assigned to the authorized person to analyze as well as to put a control mechanism in place. It has an escalation mechanism as well to ensure compliance. The Company is extending the same portal to our other plants.	Negative

Sr. No	Material issue identified	Indicate whether Risk or Opportunity	Rationale for identifying Risk/ Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
13.	Human Rights	Opportunity	Conducting human rights assessments presents an opportunity for companies to bolster their reputation, attract and retain customers and employees who prioritize ethical business conduct, and mitigate legal and reputational risks associated with human rights violations.	-	Positive
14.	Customer Health and Safety	Opportunity	Well-informed customers and partners can become advocates for the Company, promoting its products and services to others. When chemicals are misused or handled incorrectly, they can endanger human health and the environment. By providing education and training on safe product handling, companies can also reduce the risk of product recalls, liability claims, and potential legal action.	The Company has a mechanism in place to arrange awareness sessions on safe product handling.	Positive
15.	Sustainable Product Design and Innovation	Opportunity	Sustainable product design and innovation is an opportunity for companies to reduce their environmental impact, enhance their brand reputation, and attract more investors and customers.	ESG integration (Safety, compliance, ethics), ISO, collaboration, and digitization.	Positive
16.	Responsible Marketing	Opportunity	By promoting products in a transparent and ethical manner, a company can enhance its reputation & strengthen customer loyalty. Responsible marketing practices can also help companies comply with legal and regulatory requirements, avoid misleading or deceptive advertising, and prevent reputational damage or legal liabilities. Overall, responsible marketing can be an opportunity for companies to create long-term value for all stakeholders and achieve sustainable growth.	-	Positive
17.	Ethics & Governance	Risk	Failure to adhere to ethical standards and governance principles can erode company credibility and trust, leading to diminished customer loyalty and investor confidence.	The Company enforces a robust code of conduct emphasizing business ethics to uphold integrity and transparency in all operations.	Negative
18.	Compliances	Risk	Non-compliance with regulations can result in legal liabilities, financial penalties, and tarnished reputation, hindering market competitiveness and growth opportunities.	The Company implements a comprehensive compliance management system to ensure adherence to all regulatory requirements, proactively addressing compliance gaps and mitigating associated risks.	Negative

Sr. No	Material issue identified	Indicate whether Risk or Opportunity	Rationale for identifying Risk/ Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
19.	Data Privacy	Risk	Cybersecurity risks are a significant concern for organizations, as they can have far-reaching impacts on business operations, reputation, and customer base. Cyberattacks can disrupt critical systems, compromise sensitive data, and cause reputational damage, leading to financial losses and loss of customer trust.	It covers handling and protection of the Company's information, assets, and targets that it is available all the time to respective stakeholders.	Negative

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
<b>Policy and Management Processes</b>										
<b>1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>c. Web Link of the Policies, if available</b>	<a href="#">Code of Conduct</a> <a href="#">Whistle blower Policy</a>	<a href="#">Supply Chain Management Policy</a> <a href="#">Sustainable Supply Chain Policy</a> <a href="#">Responsible Care Policy</a>	<a href="#">HSE Policy</a>	<a href="#">CSR Policy</a> <a href="#">Sustainable Supply Chain Policy</a> <a href="#">Responsible Care Policy</a>	<a href="#">Remuneration policy</a>	<a href="#">HSE Policy</a> <a href="#">Responsible Care Policy</a>	<a href="#">Code of Conduct</a>	<a href="#">CSR Policy</a>	<a href="#">Quality Policy</a>	
These policies are available at the links - <a href="https://www.nfil.in/investor/code_conduct.html">https://www.nfil.in/investor/code_conduct.html</a> <a href="https://www.nfil.in/investor/policies.html">https://www.nfil.in/investor/policies.html</a>										
<b>2 Whether the entity has translated the policy into procedures. (Yes / No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>3 Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>4 Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	Global Reporting Initiatives (GRI) Standards	Responsible Care Environment Management System ISO (14001:2015)	Occupational Health and Safety Management System (ISO 45001:2018)	Global Reporting Initiatives (GRI) Standards	Global Reporting Initiatives (GRI) Standards	Global Reporting Initiatives (GRI) Standards	Environment Management System ISO (14001:2015) Responsible Care Global Reporting Initiatives (GRI)	Code of Conduct Global Reporting Initiatives (GRI) Standards	CSR Rules, Companies Act 2013 Global Reporting Initiatives (GRI) Standards	Global Reporting Initiatives (GRI) Standards

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>5 Specific commitments, goals, and targets set by the entity with defined timelines, if any.</b>	<p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>100% recycling of packaging materials by 2025</li> <li>30% reduction in carbon emissions by 2030</li> <li>50% use of renewable electricity by 2030</li> <li>Engagement with 100% key value chain partners by 2030</li> </ul> <p><b>Social</b></p> <ul style="list-style-type: none"> <li>10% diversity in the Company employees by 2030</li> <li>25% gender diversity in leadership teams by 2030</li> <li>25% gender diversity in the Board of Directors by 2030</li> </ul> <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>100% resolution of complaints</li> <li>Zero cases of corruption and bribery.</li> </ul>								
<b>6 Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</b>	<p><b>Environment</b></p> <ul style="list-style-type: none"> <li>70% recycling of packaging materials (target is 100% by 2025)</li> <li>Renewable energy increased by ~7 folds from the previous year</li> <li>23.6% use of renewable electricity (target is 50% by 2030)</li> <li>Engaged with 19% key value chain partners (target is 100% key value chain partners by 2030)</li> </ul> <p><b>Social</b></p> <ul style="list-style-type: none"> <li>3.9% diversity in the workforce (target is 10% by 2030)</li> <li>2.8% gender diversity in leadership team (target is 25% by 2030)</li> <li>17% gender diversity in the Board of Directors (target is 25% by 2030)</li> </ul> <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>100% resolution of complaints</li> <li>Zero cases of corruption and bribery</li> </ul>								
<b>Governance, Leadership and Oversight</b>									
<b>7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements</b>	<p>Message from Chairman's Desk</p> <p>Dear Stakeholders,</p> <p>As we reflect on the past year's journey, I am profoundly inspired by the strides we've made towards a more sustainable future. Today, I am thrilled to share our progress and commitments across key sustainability dimensions. Our dedication to environmental stewardship remains unwavering. Recognizing the urgent need to address climate change and minimize our ecological footprint, we have implemented a range of initiatives aimed at reducing energy consumption, optimizing waste management practices, and increasing investments in renewable resources. By embracing sustainable practices, we are actively contributing to a healthier planet for current and future generations. Central to our mission is a commitment to social responsibility. We believe in fostering diverse, inclusive workplaces where every individual can thrive. Through initiatives focused on employee well-being and community support, we are creating a positive social impact and driving sustainable development. Our efforts extend beyond our organizational boundaries, as we actively engage with stakeholders to address pressing social issues and contribute to the well-being of society at large. Ethical conduct and transparency are foundational to our governance framework. Upholding the highest standards of corporate governance, we ensure accountability and build trust with our stakeholders. By embedding ethical practices and robust governance structures throughout our organization, we mitigate risks and uphold our commitment to principled leadership. Looking forward, our journey toward sustainability remains dynamic and evolving. We recognize the importance of continuous improvement and innovation. Together, we will continue to collaborate, innovate, and lead with purpose, driving positive change and creating shared value for all stakeholders. In conclusion, I extend my sincere gratitude to our employees, partners, and other stakeholders for their unwavering support and dedication. Together, we are shaping a brighter, more sustainable future for our planet and communities.</p>								
<b>8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	<p>Mr. Vishad P. Mafatlal                      Designation: Executive Chairman                      DIN: 00011350                      E-mail ID: info@nfil.in</p>								
<b>9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	<p>As part of the sustainability initiatives at Navin Fluorine, the Company ESG team oversees matters to sustainability. Additionally, a review of sustainability related matters is done on a fortnightly basis with the leadership team which is headed by the Chairman.</p> <p>Looking forward, the Company plans to formulate an ESG Steering Committee to, inter alia, develop sustainability strategies, monitor and evaluate the Company's ESG performance, and identify opportunities to enhance sustainability practices.</p>								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
<b>Performance against above policies and follow up action</b>	Mr. Vishad P. Mafatlal (Executive Chairman) is responsible for the implementation of Business Responsibility policies and monitoring the Business Responsibility performance.									Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
<b>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</b>	The Managing Director (and subsequent to his resignation, the Executive Chairman for the interim period till the vacancy of Managing Director is filled), alongside the Chief Financial Officer and Company Secretary, attest to the adherence to applicable laws within their respective domains on a monthly basis. These attestations are presented to the Board of the Company at least quarterly.									Ongoing basis									

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency**

Yes, the Company has undergone independent assessment and evaluation of its policies by external agencies. The Responsible Care (RC) certification audit was conducted by the Indian Chemical Council. Additionally, audits for ISO 9001:2015, ISO 14001:2015, and 45001:2018 were carried out by Bureau Veritas Certification Holding SAS-UK Branch.

'Together for Sustainability' (TfS) is an initiative founded by leading chemical companies to advance sustainability practices within their supply chains. Navin Fluorine is a member of TfS. As part of its commitment to the initiative, Navin Fluorine underwent an independent sustainability audit at its sites, conducted by SGS India.

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

All Principles are covered by policies

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**ESSENTIAL INDICATORS**

1. Percentage coverage by training and awareness program on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	Throughout the year, the Board of Directors and Key Managerial Personnel of the Company, along with its committees, have dedicated significant time to engage with various updates pertinent to regulatory changes. The topics encompassed in these discussions include:	100%
Key Managerial Personnel	5	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Sustainability</li> <li>Companies Act</li> <li>SEBI Listing Regulations</li> <li>Environmental and Safety Compliance Matters</li> </ul>	100%
Employees other than BODs and KMPs	42	The training covers behavioral, capability building, compliance, health, safety, and environment (HSE), Sustainability as well as professional and technical aspects.	63.70%
Workers	30		74.21%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

**a. Monetary**

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 6	Gujarat Pollution Control Board	1,00,00,000	The Company's wholly owned subsidiary, Navin Fluorine Advanced Sciences Limited ('NFASL'), was directed by the Gujarat Pollution Control Board on August 04, 2023, to pay Environment Damage Compensation for alleged violations of provisions of the Air (Prevention and Control of Pollution) Act, 1981	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

**b. Non-Monetary**

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Navin Fluorine has comprehensively covered the essential aspects of anti-corruption and anti-bribery within the Company's Code of Conduct. The Code is accessible at [https://nfil.in/investor/code\\_conduct.html](https://nfil.in/investor/code_conduct.html) Through Navin Fluorine's Code of Conduct, the Company promotes fair and ethical business practices. According to the Code, every employee, officer, and director of the Company is expected to conduct themselves with fairness when dealing with customers, suppliers, competitors, and others, adhering to ethical standards.

The Code explicitly prohibits any form of unfair advantage-seeking behavior, including manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unethical practices. It strictly prohibits the offering or acceptance of payments, directly or indirectly, to or from anyone to secure business opportunities or favorable actions.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

Topic	FY 2023-24	FY 2022-23
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of KMPs		

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No cases of corruption and conflicts of interest have been reported in FY 2023-24, hence it is not applicable.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	136	82

9. Open-ness of business

Parameter	Metrics	FY 2023-24	FY 2022-23
<b>Concentration of Purchases</b>	a. Purchases from trading houses** as % of total purchases	8.94%	6.69%
	b. Number of trading houses** where purchases are made from	151	151
	c. Purchases from top 10 trading houses** as % of total purchases from trading houses	59.93%	56.21%
<b>Concentration of Sales</b>	a. Sales to dealers/distributors as % of total sales	15.18%	13.09%
	b. Number of dealers/distributors to whom sales are made	189	136
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	62.53%	58.69%
<b>Share of RPTs (as respective %) in</b>	a. Purchases (Purchases with related parties / Total Purchases)	Please refer to Note 45 on page 245 of this Annual Report for the financial year 2023-24.	Please refer to Note 45 on page 245 of this Annual Report for the financial year 2023-24.
	b. Sales (Sales to related parties / Total Sales)		
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	98.10%	97.42%
	d. Investments (Investments in related parties / Total Investments made)	0.00%	27.45%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
33	<p>Navin Fluorine undertakes several initiatives aimed at fostering awareness among its value chain partners regarding the key tenets outlined in the 9 Principles of the National Guidelines for Responsible Business Conduct. The awareness programs conducted for value chain partners are principally organized into three categories: Safety, Ethics, and Business Responsibility:</p> <p>a) Safety: Navin Fluorine is committed to achieving 'Zero Harm' and aims to excel as an industry leader in Safety &amp; Health performance. To this end, it has established comprehensive safety policies providing clear directives, implemented a robust safety governance framework, instituted effective management &amp; reporting systems, conducted extensive training and communication campaigns, and established precise performance metrics to monitor Safety &amp; Health performance. These measures encompass not only employees and workers but also extend to all value chain partners accessing our sites. Mandatory safety training is mandated for all individuals, including contract employees engaged with vendor partners, aligning with the training standards set for the company employees. This ensures a unified understanding of safety risks and principles among all personnel present on site.</p> <p>b) Ethics: Navin Fluorine regularly conducts awareness sessions for its vendor partners, focusing on the Company's Anti-bribery and Anti-corruption Policy, Code of Conduct, and Prevention of Sexual Harassment Policy. These sessions cover essential topics such as governance, ethics, health and safety, labor practices, and human rights.</p> <p>c) Supply Chain Responsibility: Navin Fluorine has introduced its Sustainable Supply Chain Policy Programme, addressing concerns related to ethical conduct, human rights, health &amp; safety, and environmental sustainability, among other aspects. These policies are integrated into the vendor qualification process for relevant entities, and all vendors are obligated to comply with the principles outlined in these policies.</p>	20.36%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, in adherence to the Code of Conduct, it is mandated for Board Members to steer clear of circumstances that may pose a potential or real conflict between their personal interests and those of the Company. Moreover, Directors who hold vested interests in any business matter under discussion during Board or Committee Meetings recuse from voting on such matters.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2023-24	FY 2022-23	Details of improvement in social and environmental aspects
<b>Research &amp; Development (R&amp;D)</b>	100%	100%	All R&D investments are directed towards the development of sustainable technologies and green chemistries, as well as the creation of products and technologies that enhance human health and well-being, utilizing environmentally friendly methods and deriving chemicals from sustainable sources.
<b>Capital Expenditure (CAPEX)</b>	7.97%	11.27%	Project initiatives encompass pollution control, safety for employees and the community, climate change mitigation, circularity efforts like harnessing solar energy for electricity, and promoting human health and sustainable chemicals.

2. a. Does the entity have procedures in place for sustainable sourcing?

Navin Fluorine has a Sustainable Supply Chain Policy that mandates suppliers to comply with laws, ensure product integrity and fair competition, prohibit bribery and corruption, uphold labor and human rights standards, maintain health and safety protocols, promote environmental sustainability, avoid conflicts of interest, adhere to ethical business practices, conduct regular assessments, and promptly report violations.

Navin Fluorine has established a supplier assessment process involving questionnaire submissions by suppliers, followed by Navin Fluorine's evaluation and rating. Phase 1 has covered 19% of key suppliers, with plans for extension to remaining suppliers.

b. If yes, what percentage of inputs were sourced sustainably?

All suppliers of Navin Fluorine are required to confirm their commitment to sustainability standards as part of the registration procedure. Presently, 19% of our inputs in India are obtained from suppliers who demonstrate alignment with our guiding principles by submitting declarations during registration.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process to safely reclaim the product
<b>a. Plastics (including packaging)</b>	Navin Fluorine does not reclaim any of its fluorochemical and specialty chemicals which are delivered to customers. Plastic Packaging Waste management falls under the Extended Producer Responsibility (EPR) obligations for Navin Fluorine, as per the Plastic Waste Management Rules of 2016. The Company has obtained EPR registration from the Central Pollution Control Board (CPCB) and meticulously aligned its waste collection plan with the EPR framework outlined in its submission to the CPCB. Navin Fluorine has effectively met its EPR targets for FY 2023-24 concerning Plastic Packaging Waste.
<b>b. E-Waste</b>	This is not applicable as Navin Fluorine does not manufacture electrical and electronic items, thus there is no reclamation of electronic items. All e-waste generated in-house is handed over to certified vendors for recycling.
<b>c. Hazardous Waste</b>	The process for safely reclaiming our products for reuse, recycling, or disposing of hazardous waste is not applicable to Navin Fluorine. Our products are typically consumed by other industries, which incorporate them into the production of finished goods for end-users.
<b>d. Other Waste</b>	Not applicable



**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, in accordance with the Plastic Waste Management Rules of 2016, it is obligated to manage Plastic Packaging Waste under the Extended Producer Responsibility (EPR) framework. The Company has obtained EPR registration from the Central Pollution Control Board (CPCB) and has ensured that its waste collection plan for Plastic Packaging Waste aligns with the EPR plan submitted to the CPCB. For FY 2023-24, Navin Fluorine has successfully met its EPR targets in managing Plastic Packaging Waste.

**LEADERSHIP INDICATORS**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

The Company has undertaken a Life Cycle Assessment (LCA) utilizing a Gate-to-Gate approach within its operational boundary during phase 1. Moving forward, the Company plans to transition to a product-level LCA approach in the subsequent phase.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same**

Name of Product / Service	Description of the risk / concern	Action Taken
Mafron	"Mafron" is a brand name for refrigerant gases, primarily used in air conditioning and refrigeration systems. It poses environmental risks due to its dual impact on ozone depletion and global warming.	The Thermal Oxidation Unit, operating within the framework of Clean Development Technology (CDT), serves as a strategic asset aimed at mitigating the adverse impact of greenhouse gas emissions on the environment. The unit neutralizes the greenhouse effect from any fugitive emissions of Mafron.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Navin Fluorine incorporated 30% of recycled solvent into its manufacturing process, relative to the total production volume.

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Particular	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)*	Nil	454.00	Nil	Plastic Waste EPR Registration was obtained in FY 2023-24		
E-waste	Packaging and product reclamation of e-waste at the end of product lifecycle is not applicable to Navin Fluorine, as the Company is not involved in the manufacturing, recycling, or processing of electric and electronic equipment or waste.					
Hazardous waste	Packaging and product reclamation of hazardous waste and other waste at the end of product lifecycle is not applicable for Navin Fluorine as its products primarily consist of intermediate chemicals. These chemicals are utilized by other industries to manufacture finished products for end-user consumption.					
Other waste						

\* This includes data related to plastic packaging waste. Reclamation of plastic products at the end of their lifecycle is not applicable to Navin Fluorine, as the Company is not engaged in the manufacturing of plastic products.

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Synthetic cryolite, fluorocarbon gases	70% (Plastic packaging materials)
Hydrofluoric acid and other fluorine chemicals	The Company has obtained EPR registration from the Central Pollution Control Board (CPCB) and has ensured that its waste collection plan for Plastic Packaging Waste aligns with the EPR plan submitted to the CPCB. For FY 2023-24, Navin Fluorine has successfully met its EPR targets in managing Plastic Packaging Waste.
Other Chemicals	

Navin Fluorine does not possess designated products for reclamation, as they primarily consist of intermediate chemicals. These chemicals are utilized by other industries to manufacture finished products for end-user consumption.

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

**1. a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
<b>Permanent Employees</b>											
Male	1,274	1,274	100%	1,274	100%	0	0	1,274	100%	0	0
Female	54	54	100%	54	100%	54	100%	0	0	0	0
<b>Total</b>	<b>1,328</b>	<b>1,328</b>	<b>100%</b>	<b>1,328</b>	<b>100%</b>	<b>54</b>	<b>100%</b>	<b>1,274</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent Employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
<b>Permanent Workers</b>											
Male	159	159	100%	159	100%	0	0	159	100%	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>159</b>	<b>159</b>	<b>100%</b>	<b>159</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>159</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent Workers</b>											
Male	908	908	100%	908	100%	0	0	0	0	0	0
Female	41	41	100%	41	100%	0	0	0	0	0	0
<b>Total</b>	<b>949</b>	<b>949</b>	<b>100%</b>	<b>949</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.25%	0.15%

**2. Details of retirement benefits, for Current FY and Previous Financial Year:**

Sr. No.	Benefits	FY 2023-24			FY 2022-23 <sup>#</sup>		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100.00%	100.00%	Y	100.00%	100.00%	Y
2	Gratuity	100.00%	100.00%	Y	100.00%	100.00%	Y
3	ESI	0.06%	40.00%	Y	0.57%	41.09%	Y
4	Others – Superannuation	89.31%	0.00%	Y	88.64%	0.00%	Y

**3. Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Navin Fluorine promotes the inclusion of differently abled employees and prioritizes their placement within office spaces. However, due to operational considerations, including the nature of work and the structure of multi-floor buildings, roles are assigned to offices that have been appropriately outfitted to accommodate their needs, while also considering associated safety considerations. [https://www.nfil.in/investor/code\\_conduct.html](https://www.nfil.in/investor/code_conduct.html)

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Navin Fluorine promotes equal opportunity for all employees, regardless of their caste, creed, gender, disability, or religion. The Company maintains a zero-tolerance policy against discrimination in terms of opportunities extended to employees across all levels and genders. Additionally, Navin Fluorine has implemented a comprehensive human rights policy to protect the rights of all employees, including those with disabilities.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	94%	100%	86%
Female	100%	67%	No permanent female workers employed	
<b>Total</b>	<b>100%</b>	<b>82%</b>	<b>100%</b>	<b>86%</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Category	Yes/No (If yes, give details of the mechanism in brief)
Permanent Workers	Yes, to handle grievances effectively, Navin Fluorine has established a strong Grievance Cell, Internal Complaints Committee under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013, and Whistleblower Policy. These policies outline guidelines for adhering to human rights standards. In the event of any human rights-related incident, individuals can report it through the grievance cell, which is then addressed by the POSH committee. Furthermore, the Human Resources head at each location is responsible for addressing concerns and grievances raised by employees and workers. <a href="https://www.nfil.in/contact/grievance_redressal.html">https://www.nfil.in/contact/grievance_redressal.html</a>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24			FY 2022-23 <sup>#</sup>		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Employees</b>	<b>1,328</b>	<b>0</b>	<b>0</b>	<b>1,246</b>	<b>0</b>	<b>0</b>
Male	1,274	0	0	1,188	0	0
Female	54	0	0	58	0	0
<b>Total Permanent Workers</b>	<b>159</b>	<b>159</b>	<b>100%</b>	<b>167</b>	<b>167</b>	<b>100%</b>
Male	159	159	100%	167	167	100%
Female	0	0	0	0	0	0

**8. Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23 <sup>#</sup>				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	1,274	486	38.15%	804	63.11%	1,188	914	76.94%	837	70.45%
Female	54	16	29.63%	29	53.70%	58	28	48.28%	26	44.83%
<b>Total</b>	<b>1,328</b>	<b>502</b>	<b>37.80%</b>	<b>833</b>	<b>62.73%</b>	<b>1,246</b>	<b>942</b>	<b>75.60%</b>	<b>863</b>	<b>69.26%</b>
<b>Workers</b>										
Male	1,067	1,067	100%	117	10.97%	1,937	1,937	100%	1,937	100%
Female	41	41	100%	0	0	0	0	0	0	0
<b>Total</b>	<b>1,108</b>	<b>1,108</b>	<b>100%</b>	<b>117</b>	<b>10.56%</b>	<b>1,937</b>	<b>1,937</b>	<b>100%</b>	<b>1,937</b>	<b>100%</b>

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24			FY 2022-23 <sup>#</sup>		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	%(B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
<b>Employees</b>						
Male	1,274	1,274	100%	1,188	1,188	100%
Female	54	54	100%	58	58	100%
<b>Total</b>	<b>1,328</b>	<b>1,328</b>	<b>100%</b>	<b>1,246</b>	<b>1,246</b>	<b>100%</b>
<b>Workers</b>						
Male	1,067	159	14.90%	1,937	167	8.62%
Female	41	0	0	0	0	0
<b>Total</b>	<b>1,108</b>	<b>159</b>	<b>14.35%</b>	<b>1,937</b>	<b>167</b>	<b>8.62%</b>

**10. Health and safety management system:**

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If yes, the coverage of such system?** Yes, the ISO 45001:2018 Occupational Health and Safety Management System has been comprehensively implemented throughout all factory premises, ensuring coverage for all employees, contract workers, and external parties engaged in activities at or visiting the Company's sites.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?** The processes employed to identify work-related hazards and assess risks on both routine and non-routine bases encompass a range of comprehensive methodologies. These include Hazard Identification and Risk Assessment (HIRA), Pre-Startup Safety Review (PSSR), Job Safety Analysis (JSA), Work Permit System, and Unsafe Act/Conditions Reporting system. Additionally, the Company utilizes various techniques such as What-if analysis, HAZOP (Hazard and Operability Study), Permit to Work (PTW) systems, and Checklist-based assessments. These integrated approaches ensure a thorough and systematic evaluation of potential hazards and risks across our operational activities, enabling proactive measures for hazard identification, control, and mitigation.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)** Yes, the Company has established clear protocols for employees and workers to promptly report any work-related hazards they encounter. Additionally, employees and workers are empowered to remove themselves from situations they perceive as dangerous and posing a critical risk.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)** Navin Fluorine ensures comprehensive healthcare coverage for all employees and workers through various schemes, including Medclaim, life-term insurance policies, and ESIC (Employees' State Insurance Corporation). Health promotion services and programs are personalized according to routine medical assessments. The Company emphasizes healthy dining choices in the canteen and offers recreational amenities including a gym with indoor sports like table tennis, as well as outdoor games like cricket and badminton. Additionally, Navin Fluorine's Occupational Health Center (OHC) is accessible to all workers for non-occupational medical consultations, bolstering the overall healthcare support provided to employees and workers across the organization.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23 <sup>#</sup>
<b>Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</b>	Employees	0	0
	Workers	0.46	0.33
<b>Total recordable work-related injuries</b>	Employees	0	0
	Workers	3	2
<b>No. of fatalities</b>	Employees	0	0
	Workers	1	0
<b>High consequence work-related injury or ill-health (excluding fatalities)</b>	Employees	0	0
	Workers	1	0

\*Including in the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Navin Fluorine has established a robust occupational health and safety management system aligned with ISO 45001:2018 standards. This system encompasses various key components including a comprehensive Health, Safety & Environment (HSE) Policy, clearly defined roles and responsibilities, active consultation and participation of workers and employees, and regular training on health and safety topics.

Furthermore, Navin Fluorine conducts thorough hazard identification and risk assessment studies for both routine and non-routine activities, implementing control measures across the site. Personal protective equipment is provided to all workers and employees to ensure their safety.

Navin Fluorine also adheres to various safety protocols such as Pre-Startup Safety Review (PSSR), Job Safety Analysis (JSA), Work Permit System, and Management of Change procedures. Additionally, regular health and safety audits are conducted to ensure compliance and continual improvement in safety standards across the organization.

**13. Number of Complaints on the following made by employees and workers:**

Topic	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	2	0	Resolved all complaints	6	0	Resolved all complaints
Health & Safety	12	0		-	-	

**14. Assessments for the year:**

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

Some corrective actions have been taken, while others are underway, to address safety-related incidents and significant risks/concerns identified during assessments of health & safety practices and working conditions.

- Implementation of strategies aimed at reducing manual handling of drums.
- Introduction of cherry pickers (Boom-Lifters) at the site to facilitate the safe execution of critical tasks at elevated heights.
- Strengthening of Hazard Identification and Risk Assessment (HIRA/HAZOP) procedures related to the handling of hazardous materials.

- Development of procedures aimed at safeguarding moisture-sensitive materials to prevent contamination during transfer or dispensing processes.
- Expansion of safety signage display boards to enhance visibility and awareness of safety protocols throughout the premises.
- Ongoing revamping of the Fire Hydrant system to improve its functionality

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, Navin Fluorine extends a compensatory package to all its employees including workers in the event of death. The Company offers a comprehensive term life insurance policy to ensure financial security for employees' families during unforeseen circumstances. Additionally, the Company's unique benevolent fund, supported by employee contributions matched by the Company, provides additional financial support. These initiatives supplement the statutory coverage of Employees Deposit Linked Insurance (EDLI).

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Navin Fluorine has a robust mechanism to ensure the timely submission of all statutory dues to regulatory authorities. Additionally, the Company diligently monitors regulatory dues for our value chain partners on a monthly basis, collecting the necessary supporting evidence as required.

**3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0
Workers	2	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No, Navin Fluorine does not provide any transition assistance to its employees and workers.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

**6. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from assessments of health and safety practices and working conditions of value chain partners**

Following assessments of health and safety practices and working conditions within our value chain partners, no significant risks or concerns have been identified. Consequently, there are currently no active initiatives or measures in place to address such issues.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATORS**

**1. Describe the processes for identifying key stakeholder groups of the entity:**

Navin Fluorine identifies any individual, entity, institution, or group that significantly impacts its operations as a core stakeholder. Embracing a stakeholder-centric ethos, Navin Fluorine integrates socially relevant and forward-looking strategies into its business activities. The Company actively interacts with a broad spectrum of stakeholders, including investors, customers, suppliers, and employees, utilizing scheduled events and diverse communication channels to foster meaningful engagement and collaboration.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Email, Telephone, Virtual meetings, In-person meetings, Newspaper, Website, Public disclosures, Annual reports, conference calls, Shareholder meetings	Continuous	<ul style="list-style-type: none"> <li>Transparency in business practices</li> <li>Strong ESG practices</li> <li>Dividends, profitability, and financial stability</li> <li>Climate change risks</li> <li>Growth prospects</li> </ul>
Customers	No	Email, Telephone, Social media, Website, In-person interactions, Surveys/feedback forms, Events/seminars	Continuous	<ul style="list-style-type: none"> <li>Satisfaction with product quality</li> <li>Product innovation by Navin Fluorine</li> </ul>
Suppliers	No	Email, Telephone, Vendor meetings, Conferences/trade shows, Purchase orders/invoices, Site visits	Continuous	<ul style="list-style-type: none"> <li>Robust grievance redressal mechanism</li> <li>Effective delivery and payments</li> </ul>
Regulatory	No	Email, Telephone, Regulatory filings, Regulatory portals, Meetings/hearings, Compliance reports, Industry conferences, Legal notices	Continuous	<ul style="list-style-type: none"> <li>Effective compliance management system</li> <li>Robust health and safety system</li> <li>Strong environmental performance</li> </ul>
Community	Yes	Email, Telephone, Community meetings, Social media, Community events	Continuous	<ul style="list-style-type: none"> <li>Education support</li> <li>Quality Healthcare</li> <li>Water &amp; Sanitation access</li> </ul>
Employees and workers	No	Email, Telephone, Virtual meetings, In-person meetings, Website, Exit interviews, Arbitration/Union meetings, Workplace committees, Safety meetings, Training manuals, Wellness initiatives, Performance reviews, Engagement surveys, Intranet, Flat screens, Recognition programs, Suggestions/feedback boxes, Poster campaigns, House magazines, Confluence, Circulars, Quarterly publications, Newsletters.	Continuous	<ul style="list-style-type: none"> <li>Learning and Development initiatives</li> <li>Employee health &amp; well being</li> </ul>

**LEADERSHIP INDICATORS**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Navin Fluorine places a high priority on cultivating robust and meaningful relationships with a diverse array of stakeholders. The organization has implemented a comprehensive stakeholder engagement framework aimed at comprehensively grasping business dynamics, identifying critical risk areas and concerns, communicating strategies and performance, and fostering trust among all stakeholders. Additionally, the Company conducts surveys targeting both internal and external stakeholders, namely employees and customers.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Navin Fluorine's stakeholder engagement mechanism is designed to promote inclusivity, accountability, and responsibility. The Company actively collaborates with its stakeholders on various issues on an ongoing basis, enabling the identification of crucial business and ESG (Environmental, Social, and Governance) risk areas and the formulation of corresponding mitigation strategies. Navin Fluorine remains committed to integrating stakeholder requirements into its business operations, while also diligently addressing its performance and advancement on each material topic highlighted throughout the stakeholder engagement process.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Navin Fluorine has implemented several initiatives to address the concerns of vulnerable and marginalized stakeholders. The Company engages with underprivileged segments of society, differently abled communities, and children from economically disadvantaged backgrounds. Navin Fluorine endeavors to address the specific concerns of each stakeholder group through targeted initiatives aimed at fostering their development and growth.

**PRINCIPLE 5: Businesses should respect and promote human rights**

**ESSENTIAL INDICATORS**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23 <sup>#</sup>		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1,328	1,328	100%	1,246	1,246	100%
Other than permanent	0	0	0	0	0	0
<b>Total Employees</b>	<b>1,328</b>	<b>1,328</b>	<b>100%</b>	<b>1,246</b>	<b>1,246</b>	<b>100%</b>
<b>Workers</b>						
Permanent	159	159	100%	167	167	100%
Other than permanent	949	0	0	1,770	0	0
<b>Total Workers</b>	<b>1,108</b>	<b>159</b>	<b>14.35%</b>	<b>1,937</b>	<b>167</b>	<b>100%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24				FY 2022-23 <sup>#</sup>					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>										
Male	1,274	0	0	1,274	100%	1,188	0	0	1,188	100%
Female	54	0	0	54	100%	58	0	0	58	100%
<b>Other than permanent</b>										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male	159	0	0	159	100%	167	0	0	167	100%
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent</b>										
Male	908	0	0	908	100%	1,770	0	0	1,770	100%
Female	41	0	0	41	100%	0	0	0	0	0

3. a. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lacs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lacs)
Board of Directors (BoD) <sup>#</sup>	10	27.08	2	27.25
Key Managerial Personnel <sup>#</sup>	2	250.39	0	-
Employees other than BoD and KMP	1,272	8.54	54	14.94
Workers	1,067	2.43	41	1.36

\*Excludes Directors of the Company

<sup>#</sup>The details pertain to the Board of Directors/KMPs of Navin Fluorine International Limited only.

b. Gross wages paid to female as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to female as % of total wages	3.96	3.88

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, to effectively address human rights concerns, Navin Fluorine has implemented a comprehensive framework comprising a robust grievance cell, a POSH committee, and a Whistle Blower Policy. This policy delineates clear guidelines aimed at ensuring compliance with human rights standards. In the event of any human rights violation, individuals are encouraged to report such incidents through the grievance cell, which is then escalated for resolution by both the site head and the corporate office team. Moreover, the Human Resources head at each location is tasked with addressing and resolving any concerns or grievances raised by employees or workers.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company firmly upholds the principle of safeguarding human rights, adhering to it with utmost diligence. This commitment is demonstrated through its Human Resource Policy, which extends its protective measures to encompass all employees without exception.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labor	0	0	-	0	0	-
Forced Labor/Involuntary Labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
<b>Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)</b>	0	0
<b>Complaints on POSH as a % of female employees / workers</b>	0	0
<b>Complaints on POSH upheld</b>	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Navin Fluorine is committed to upholding the highest standards of compliance with its Whistle Blower and Human Rights Policy across all business activities. Demonstrating profound respect for the human rights of each employee, the Company diligently addresses all concerns raised by stakeholders. In instances of observed discrimination or misconduct pertaining to the complainant, employees, and workers are encouraged to elevate their issues to the Human Resources department or the dedicated Internal Complaints Committee under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 established by the Company.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Organization has a supplier code of conduct which we get signed with our value chain partners.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	Nil

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No corrective actions are currently underway as no significant risks were identified through the above assessments.

**LEADERSHIP INDICATORS**

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints**  
No modifications or introductions to business processes were made as there were no reported grievances or complaints related to human rights.
- Details of the scope and coverage of any Human rights due-diligence conducted**  
Navin Fluorine conducted internal assessments encompassing all employees and workers throughout our plants and offices, with a comprehensive focus on human rights. These assessments have been meticulously designed to address critical elements including child labor, forced labor, sexual harassment, workplace discrimination, and fair wage considerations.
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**  
Due to the inherent nature of the Company's operations and the associated risks involved, access to the visitors is restricted to office area, with designated provisions made available for their accessibility.
- Details on assessment of value chain partners:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	Nil
- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**  
No significant risks or concerns have been identified from the assessments conducted regarding child labor, forced/ involuntary labor, sexual harassment, discrimination at the workplace, and wages. As a result, there are no corrective actions currently underway to address such issues.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**ESSENTIAL INDICATORS**

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24 energy consumption unit as GJ	FY 2022-23 <sup>#</sup> energy consumption unit as GJ
<b>From renewable sources</b>		
Total electricity consumption (A)	49984.84	6513.99
Total fuel consumption (B)	0.00	0.00
Energy consumption through other sources (C)	0.00	0.00
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>49984.84</b>	<b>6513.99</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	162047.44	202615.95
Total fuel consumption (E)	1434638.56	1018930.90
Energy consumption through other sources (F)	0.00	0.00
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1596685.96</b>	<b>1221546.85</b>
<b>Total energy consumed(A+B+C+D+E+F)</b>	<b>1646670.80</b>	<b>1228060.84</b>

Parameter	FY 2023-24 energy consumption unit as GJ	FY 2022-23 <sup>#</sup> energy consumption unit as GJ
<b>Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)</b>	7.77*10 <sup>-5</sup>	5.81*10 <sup>-5</sup>
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)</b>	1.78*10 <sup>-3</sup>	1.32*10 <sup>-3</sup>
<b>Energy intensity in terms of physical output</b>	-	-
<b>Energy intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

Note: No external assurance has been carried out by an external agency. an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the Company has not been identified as a designated consumer under the Performance Achieve and Trade (PAT) Scheme of the Government of India.

- Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	86006.00	85328.00
(ii) Groundwater	0.00	0
(iii) Third party water	1242686.38	1151860.46
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>1328692.38</b>	<b>1237188.46</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>1087670.66</b>	<b>720064.50</b>
<b>Water intensity per rupee of turnover (Water consumption / Revenue from operations)</b>	<b>5.13*10<sup>-5</sup></b>	<b>3.41*10<sup>-5</sup></b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue<sup>7</sup> from operations adjusted for PPP)</b>	<b>1.17*10<sup>-3</sup></b>	<b>0.77*10<sup>-3</sup></b>
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

Note: No external assurance has been carried out by an external agency. an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

- Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23 <sup>#</sup>
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
No treatment	0	0
With treatment – primary, biological, and tertiary processes alongside a Multi-Effect Evaporator system	308177.00	142495.00

Parameter	FY 2023-24	FY 2022-23 <sup>#</sup>
(iv) Sent to third-parties	0	0
No treatment	0	0
With treatment – Primary treatment (post-primary treatment, sent to the common effluent treatment plant)	250589.00	327110.00
(v) Others	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>558766.00</b>	<b>469605.00</b>

Note: No external assurance has been carried out by an external agency. an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, the Company's wastewater treatment plant at Dewas site operates on a Zero Liquid Discharge (ZLD) principle, incorporating an Effluent Treatment Plant, Reverse Osmosis, and Multi Effect Evaporator Plant. The treated effluent is utilized for various purposes, including within its utility systems such as the cooling tower. Similarly, at the Company's subsidiary location in Dahej, a wastewater treatment facility designed to address specific characteristics through primary, biological, and tertiary treatment methods has been implemented. To manage concentrated streams, a Multi Effect Evaporator is utilized, ensuring compliance with permissible limits before discharge to the industrial estate wastewater point. Meanwhile, in Surat, the manufacturing site treats wastewater through a three-stage process before discharging it to the community treatment plant. The treated water is then recycled onsite to support utility needs.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23 <sup>#</sup>
NOx	MT	11.42	3.01
SOx	MT	11.37	1.94
Particulate matter (PM)	MT	9.67	1.49
Persistent organic pollutants (POP)	-	Nil	Nil
Volatile organic compounds (VOC)	-	Nil	Nil
Hazardous air pollutants (HAP)	-	Nil	Nil
Others – please specify	-	Nil	Nil

Note: No external assurance has been carried out by an external agency. an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in following format:**

Parameter	Unit	FY 2023-24	FY 2022-23 <sup>#</sup>
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	171152.10	92498.78
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	31959.36	39960.37
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue<sup>7</sup> from operations)</b>	Tco <sub>2</sub> e/₹	9.58*10 <sup>-06</sup>	6.27*10 <sup>-06</sup>
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	2.19*10 <sup>-04</sup>	1.42*10 <sup>-04</sup>
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: No external assurance has been carried out by an external agency. an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail**

- The Thermal Oxidation Unit, established in 2006, operates under the Clean Development Technology (CDT) framework, strategically aimed at reducing the environmental impact of greenhouse gas emissions. This asset plays a pivotal role in mitigating the adverse effects of emissions on the environment. It neutralizes the greenhouse effect caused by any fugitive emissions of Mafron.
- A power purchase agreement (PPA) has been established for renewable energy sources such as solar and wind, aimed at significantly curbing its emissions. This initiative involves a contractual agreement between parties to procure electricity generated from sustainable sources, thereby reducing reliance on fossil fuels and mitigating environmental impact. Navin Fluorine is currently in the process of establishing the PPA, with the objective of achieving approximately 50% of its electricity from renewable sources.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23 <sup>#</sup>
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A) MT	253.38	47.13
E-waste (B) MT	11.22	10.00
Bio-medical waste (C) MT	0.073	0.061
Construction and demolition waste (D) MT	0.00	0.00
Battery waste (E) MT	1.69	0.00
Radioactive waste (F) MT	0.00	0.00
Other Hazardous waste. Such as Distillation residues, incineration ash, sulphur sludge, used oil, spent catalyst, discarded containers, process sludge, process residue & waste, spent carbon, cotton waste, chemical sludge from wastewater treatment, concentration of evaporation residue, off-specification product, spent catalyst, incinerated ash, distillation residue, spent solvent, pre-processing waste (G) MT	67062.98	38512.18
Other Non-hazardous waste. Such as Cardboard, plywood, and various types of scrap including rubber, cable, wood, used drums, glass, mild steel, and stainless steel (H), MT	5924.18	5124.96
<b>Total Waste Generated (A + B + C + D + E + F + G + H) MT</b>	<b>73253.52</b>	<b>43694.27</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue <sup>7</sup> from operations)	3.46*10 <sup>-06</sup>	2.07*10 <sup>-06</sup>
<b>Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)</b> (Total Waste Generated / Revenue from operations adjusted for PPP)	7.91*10 <sup>-05</sup>	4.68*10 <sup>-05</sup>
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of Waste:</b>		
i. Recycled	12943.16	15026.44
ii. Reused	41280.71	21416.70
iii. Other recovery operations	0.00	0.00
<b>Total</b>	<b>54223.87</b>	<b>36443.14</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of Waste:</b>		
i. Incineration	7828.64	1567.76
ii. Landfilling	11347.12	5524.60
iii. Other disposal operations – Co-processing	0.00	0.00
<b>Total</b>	<b>19175.76</b>	<b>7092.36</b>

Note: No external assurance has been carried out by an external agency. an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company's waste management plan encompasses comprehensive strategies for waste minimization, segregation, and safe disposal. Navin Fluorine meticulously handles both hazardous and non-hazardous waste, ensuring that non-hazardous waste is disposed of through authorized recyclers, while hazardous waste is sent to authorized vendors for responsible recycling and disposal.

The Company's facility features an advanced Effluent Treatment Plant (ETP) with Zero Liquid Discharge (ZLD) capabilities, employing Reverse Osmosis (RO), Multiple Effect Evaporation (MEE), and Agitated Thin Film Dryer (ATFD) technologies.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:**

Navin Fluorine's operations and offices are not situated in or around ecologically sensitive areas. As a result, there is no requirement for environmental approvals or clearances in this regard.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

No environmental impact assessments have been conducted for projects undertaken by Navin Fluorine in the current financial year in accordance with applicable laws.

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Air (Prevention and Control of Pollution) Act, 1981	The Company's wholly owned subsidiary, Navin Fluorine Advanced Sciences Limited ('NFASL'), was directed by the Gujarat Pollution Control Board on August 04, 2023, to pay Environment Damage Compensation for alleged violations of provisions of the Air (Prevention and Control of Pollution) Act, 1981.	The Company's wholly owned subsidiary, Navin Fluorine Advanced Sciences Limited ('NFASL'), was directed by the Gujarat Pollution Control Board on August 04, 2023, to pay ₹1,00,00,000 as Environment Damage Compensation for alleged violations of provisions of the Air (Prevention and Control of Pollution) Act, 1981.	The Company is committed to the highest environment and safety standards. Adherence to various laws, including applicable environmental compliances, is given utmost importance. The Company has done thorough review of the concerns raised and has taken immediate measures towards an expeditious resolution of the matter. Corrective measures include the implementation of enhanced monitoring and control protocols.

**LEADERSHIP INDICATORS**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Navin Fluorine's operational sites are not situated in water-stressed regions. No water is withdrawn, consumed, or discharged from any such areas.

For each facility / plant located in areas of water stress, provide the following information:

- i. Name of the area : Not Applicable
- ii. Nature of operations : Not Applicable
- iii. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	Nil	Nil
Total volume of water consumption (in kilolitres)	Nil	Nil
Water intensity per rupee of turnover (Water consumed / turnover)	Nil	Nil
Water intensity (optional) – the relevant metric may be selected by the entity	Nil	Nil
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(ii) Into Groundwater	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iii) Into Seawater	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	<b>Nil</b>	<b>Nil</b>

Note: No external assurance has been carried out by an external agency.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23 <sup>#</sup>
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	30223.72	23428.78
<b>Total Scope 3 emissions per rupee of turnover<sup>7</sup></b>	MTCO <sub>2</sub> e/₹	1.43*10 <sup>-6</sup>	1.11*10 <sup>-6</sup>
<b>Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity</b>	-	-	-

Note: No external assurance has been carried out by an external agency.

an increase due to inclusion of New plant at Dahej which has completed its first full year production in FY 23-24

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable



4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Process modification	Steam condensate recovery from Mafron, Argo 1.0, sulfuric acid (H <sub>2</sub> SO <sub>4</sub> ) plant, and Multi-Purpose Plant (MPP), as well as condensate recovery from the process plant after checking conductivity and pH, aims to reduce demineralized (DM) water and natural gas (NG) consumption in the NG-fired boiler by ensuring clean condensate transfer to the boiler DM water tank.	The initiative led to a reduction of 140,557 cubic meters in natural gas consumption, a reduction of 265 metric tons (MT) in CO <sub>2</sub> emissions, and a reduction of 10,565 kiloliters (KL) in water consumption.
2.	Process modification	Implemented a process aimed at reducing steam is achieved by integrating liquid hydrofluoric acid (HF) into the Mix-II reaction at the Boron Trifluoride (BF <sub>3</sub> ) plant, thus eliminating the necessity for Hydrofluoric Acid (HF) vaporization.	The initiative resulted in a decrease of 246 metric tons (MT) in steam consumption.
3.	Process modification	Implemented a process aimed at reducing chiller compressor power consumption through the integration of liquid Hydrofluoric Acid (HF) into the Mix-II reaction at the Boron Trifluoride (BF <sub>3</sub> ) plant	The initiative led to a decrease of 80766 kWh in electricity consumption and a reduction of 57 metric tons (MT) in CO <sub>2</sub> emissions.
4.	Implementation of Zero Liquid Discharge system	Installation of a full-fledged ETP/Zero Liquid Discharge (ZLD) facility equipped with reverse osmosis (RO), multiple Effect Evaporator (MEE), and agitated thin film dryer (ATFD) for Primary, Secondary, and Tertiary treatment of effluent. The entire effluent load inclusive of process and domestic streams are treated to finally yield good quality water which is recycled/reused back to the cooling tower/ utility purpose.	Resource conservation - Treated effluent is utilized in utility thus reducing freshwater consumption.
5.	Co-processing / Pre-processing of Hazardous waste	Exploration and implementation of utilizing hazardous waste in the Cement industry as Co-processing/Pre-processing measures. A good example of resource conservation is by utilizing hazardous waste in a Cement kiln as fuel instead of disposing it at TSDF.	Resource conservation

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, Navin Fluorine has a thorough plan for business continuity and disaster management, covering natural and man-made emergencies. The focus is on reducing risks to human health, minimizing property damage, and protecting the environment. This plan also ensures effective communication between Navin Fluorine, government authorities, public forums, and the press to prevent any public disorder.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Navin Fluorine efficiently dispatches chemicals from its designated site to the respective port via trailers, ensuring seamless transportation. Each trailer is accompanied by a water tanker as a precautionary measure to mitigate any potential mishaps. This strategic arrangement allows swift response and management in the event of an incident, underscoring Navin Fluorine's commitment to safety and operational excellence.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

A total of 19% of our value chain partners underwent assessments to evaluate their environmental impacts.

**PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**ESSENTIAL INDICATORS**

1. a) Number of affiliations with trade and industry chambers/ associations.  
Navin Fluorine is a member of two associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S.no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chemical Council	National
2	Indian Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

There were no reported cases of anti-competitive behavior at Navin Fluorine during the present fiscal year.

**LEADERSHIP INDICATORS**

1. Details of public policy positions advocated by the entity:

The Company actively engages in diverse association programs, advocating for and contributing to inclusive development policies that benefit the Chemical Industry at large.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

**ESSENTIAL INDICATORS**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

In adherence to the prevailing legal framework, particularly the Right to Fair Compensation and Transparency in Land Acquisition Act of 2013, and the Rehabilitation and Resettlement Act of 2013, it is imperative to note that Navin Fluorine is not subject to the stipulations outlined within these legislative mandates. Consequently, the necessity for Social Impact Assessments (SIA) does not apply to Navin Fluorine, as per the scope of its operations and legal obligations.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

For the current financial year, Navin Fluorine has not engaged in any land acquisition activities, nor have we been involved in any displacements. As a result, Rehabilitation and Resettlement (R&R) measures are not applicable to our operations during this period.

3. Describe the mechanisms to receive and redress grievances of the community.

Initiatives conducted within the realm of Corporate Social Responsibility (CSR) undergo meticulous tracking to assess achieved outcomes and community benefits. The Company voluntarily conducts impact assessment surveys of its implementing agencies for select projects and, whenever feasible, implements internal tracking mechanisms, issues regular reports, and conducts follow-up field visits, as well as engages in telephonic and email communications. The community can report their grievance using the below web-based grievance reporting form:

[https://www.nfil.in/contact/grievance\\_redressal.html](https://www.nfil.in/contact/grievance_redressal.html)

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2023-24	FY 2022-23 <sup>#</sup>
Directly sourced from MSMEs/Small producers	34.18%	29.00%
Sourced directly from within the district and neighboring districts	28.49%	28.34%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	0	0
Semi-urban	24.55%	19.55%
Urban	15.62%	14.96%
Metropolitan	59.83%	65.49%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**LEADERSHIP INDICATORS**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Social Impact Assessments (SIA) are not applicable to Navin Fluorine, aligning with the scope of its legal obligations.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent in INR Lacs
1.	Madhya Pradesh	Vidisha	200.00
2.	Gujarat	Narmada	24.97
3.	Gujarat	Dahod	0.44

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Navin Fluorine has implemented a Sustainable Supply Chain Policy to uphold ethical and responsible procurement practices from all suppliers. The Company places emphasis on partnering with suppliers who adhere to environmental and social standards, aiming to mitigate adverse impacts within its supply chain.

**(b) From which marginalized /vulnerable groups do you procure?**

Navin Fluorine prioritizes sourcing a majority of its raw materials from local and Micro, Small, and Medium Enterprises (MSME) suppliers.

**(c) What percentage of total procurement (by value) does it constitute?**

15.74%

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Navin Fluorine does not hold proprietary intellectual properties. Instead, the Company engages in collaborative ventures with industries across various sectors. In these partnerships, Navin Fluorine produces intermediate chemicals based on the technical expertise provided by each industry, operating within the framework of individual agreements with its partners.

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

For Navin Fluorine, there are no corrective actions taken or underway based on any adverse order in intellectual property-related disputes involving the usage of traditional knowledge.

**6. Details of beneficiaries of CSR Projects:**

S. CSR Project No	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
<b>Projects undertaken by Navin Fluorine International Limited</b>		
1. Shri Sadguru Seva Sangh Trust	30,000+	-
2. Charutar Arogya Mandal	10,000+	-
3. Blind People's Association	3,800+	13.80%
4. Arvind Mafatlal Foundation	9,500+	90.75%
5. Olympic Gold Quest	86	-
6. Cancer Patients Aid Association	50	100%
7. Sir J. J. Hospital	100+	100%
8. Mobile Health Vans – catering to villages around Surat and Dewas	70,000+	-
9. Project Nanhi Kali	489	100%
10. Consumer Education & Research Centre	-	-
11. Prayas	1,200*	-
<b>Projects undertaken by Navin Fluorine Advanced Sciences Limited</b>		
1. Shakti Foundation	2,150	100%
2. Building two classrooms for a school in Bharuch	-	-
3. Project Nanhi Kali	486	100%
4. Food distribution around Dahej factory	3,150	-

\* This encompasses stray animals that have benefited from the Company's CSR project.

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner.**

**ESSENTIAL INDICATORS**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The Company maintains a customer-centric approach, demonstrated through regular customer satisfaction surveys aimed at continual improvement. Routine surveys engage both external and internal stakeholders, with external customers providing feedback annually and internal customers surveyed quarterly. The ratings and inputs received are meticulously analyzed, prompting respective departments to take proactive measures to enhance their performance based on the feedback received.

**2. Turnover of products and services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and Social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	2	0	-	9	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others (product specification, product packaging)	16	0	-	33	0	-

**4. Details of instances of product recalls on account of safety issues**

	Number	Reason for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Navin Fluorine has established an IT/Cyber security policy designed to manage incidents pertaining to cybersecurity and data privacy effectively. This policy outlines fundamental standards to maintain a secure work environment, ensuring the protection of confidential and sensitive information concerning Navin Fluorine employees, customers, suppliers, and all stakeholders.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

In the current reporting period, the Company has not encountered any instances necessitating corrective actions pertaining to advertising and delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls, or penalties/actions taken by regulatory authorities on the safety of products/services.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches**

No instances of data breaches were recorded during FY 2023-24

**b. Percentage of data breaches involving personally identifiable information of customers**

No instances of data breaches were recorded during FY 2023-24

**c. Impact, if any, of the data breaches**

No instances of data breaches were recorded during FY 2023-24

**LEADERSHIP INDICATORS**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Access to information on Navin Fluorine products is available through the following link: <https://www.nfil.in/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Navin Fluorine provides a material safety data sheet with all of its products to inform and educate consumers about the safe and responsible usage of the products.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Navin Fluorine is able to predict and foresee any potential disruption to its essential services. The Company has mechanisms in place to notify consumers about any potential risk of disruption or any discontinuation of its services through emails, conference calls, and mobile device messages.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Navin Fluorine adheres to relevant laws and regulations in disclosing product information. Navin Fluorine displays product labels, Product Safety Data Sheets labels, hazard class labels, and Globally Harmonized System (GHS) labels on each consignment for safe handling of the product.

The Company conducts routine customer satisfaction surveys involving both external and internal stakeholders. External customers participate annually, while internal customers are surveyed quarterly. Feedback from these surveys informs departmental initiatives aimed at improving service quality and meeting Navin Fluorine's customer needs.

\* The data has been restated to ensure alignment with the guidance note for the Business Responsibility & Sustainability Report

\*\* This includes raw material purchases from trading houses.

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**  
**Chairman**  
**DIN: 00011350**

Date: May 07, 2024  
Place: Mumbai

**Registered Office:**

Office No. 602, 6<sup>th</sup> 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 ID: [info@nfil.in](mailto:info@nfil.in); Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

Annexure 4

# Annual Report on Corporate Social Responsibility ('CSR') initiatives

## 1. Brief outline on CSR Policy of the Company

Navin Fluorine strongly believes in giving back to the society and empowering social progress. The Company will continue to fulfil its role of a responsible corporate citizen by making positive changes through community development initiatives. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The CSR Policy, inter alia, covers the concept (CSR philosophy, snapshot of activities undertaken by the group and applicability), scope (area/localities to be covered and activities), guiding principles for selection of CSR activities and annual action plan, guiding principles for execution of CSR activities, guiding principles for monitoring CSR activities and Impact Assessment.

During the financial year ended March 31, 2024, the Company undertook the following CSR activities:

Mode of Implementation	Details of the Project	Amount contributed (₹ in crores)
Shri Sadguru Seva Sangh Trust	For upgrading the Oculoplasty department and purchasing medical equipment for the development of the medical hospital at Chitrakoot	2.00
Charutar Arogya Mandal	For purchase of Image 1 Laparoscopic Set, NICOLET V-32 Channel Video EEG, USG – OBG and Endoscopy camera processor & camera head and support for treatment of patients from poor families	1.11
Blind People's Association	For projects on (i) Mental Illness, (ii) Soft Skills & Empowerment of Blind Women, (iii) Early Childhood Services and (iv) Livelihood and Self-Employment	1.06
Arvind Mafatlal Foundation	For projects on (i) Menstrual hygiene and sustainable livelihood generation through Shakti Foundation, (ii) Self-employment of women with disabilities and scholarship program for female students with disabilities through Blind People's Association and (iii) Support to women athletes through Olympic Gold Quest	1.00
Foundation for Promotion of Sports	For support to junior athletes	0.90
Cancer Patients Aid Association ('CPAA')	For providing wages to patients and/or their family members engaged at CPAA's Rehabilitation Centre workshops and ancillary support in the form of dharamsala accommodation for out-of-town patients, conveyance, ration, school fees and refreshment	0.40
Sir J. J. Hospital	For purchase of LED OT light for the hospital's Neurosurgery department	0.30
Project directly implemented - Mobile Health Vans	For operating Mobile Health Vans to cater to villages around Dewas and Surat	0.30
Project Nanhi Kali	For sponsoring the education of 200 primary school girls and 200 secondary school girls in Mumbai	0.23
Consumer Education and Research Centre	For consumer redressal and protection activities	0.10
Prayas	For animal welfare, bird rescue and rehabilitation	0.05
<b>Total</b>		<b>7.45</b>

## 2. Composition of CSR Committee

Sr. No.	Name of the Directors	Designation/Nature of Directorship	No. of Meetings of CSR Committee held during the year	No. of Meetings of CSR Committee attended during the year
1.	Mr. Sudhir G. Mankad (Chairman)	Non-Executive Independent Director	3	3
2.	Mr. Harish H. Engineer (Member)	Non-Executive Independent Director	3	3
3.	Mr. Vishad P. Mafatlal (Member)	Executive Chairman	3	3
4.	Mr. Ashok U. Sinha (Member)	Non-Executive Independent Director	3	2*

\* Mr. Ashok U. Sinha was appointed as a Member of the CSR Committee w.e.f. May 13, 2023 and thereafter 2 CSR Committee Meetings were held.

## 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

### Composition of CSR Committee

[https://www.nfil.in/investor/bod/NFIL-Committee\\_Composition\\_23-02-2024.pdf](https://www.nfil.in/investor/bod/NFIL-Committee_Composition_23-02-2024.pdf)

### CSR Policy

[https://www.nfil.in/investor/policies/NFIL\\_CSR\\_Policy\\_1.pdf](https://www.nfil.in/investor/policies/NFIL_CSR_Policy_1.pdf)

### CSR Projects

<https://www.nfil.in/csr/index.html>

## 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable –

Though not statutorily applicable, the Company has done impact assessment of all its projects which were undertaken through Charutar Arogya Mandal during the financial year 2021-22. The impact assessment was undertaken by MMJC Consultancy LLP. The executive summary of the same is annexed to this Report as Annexure 4(a).

## 5. (a) Average net profit of the Company as per sub-section (5) of section 135 - ₹365.74 crores

## (b) Two percent of average net profit of the Company as per sub-section (5) of section 135 - ₹7.31 crores

## (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Not Applicable

## (d) Amount required to be set-off for the financial year, if any - Not Applicable

## (e) Total CSR obligation for the financial year [(b)+(c)-(d)] - ₹7.31 crores

## 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹7.45 crores

## (b) Amount spent in Administrative Overheads - NIL

## (c) Amount spent on Impact Assessment, if applicable - Not Applicable

## (d) Total amount spent for the Financial Year [(a)+(b)+(c)] - ₹7.45 crores

## (e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent (₹ in crores)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
7.45					Not Applicable

(f) Excess amount for set off, if any

Sr. No.	Particulars	Amount (₹ in crores)
1.	Two percent of average net profit of the Company as per sub-section (5) of section 135	7.31
2.	Total amount spent for the Financial Year	7.45
3.	Excess amount spent for the Financial Year [(2)-(1)]	0.14
4.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	N. A
5.	Amount available for set-off in succeeding Financial Years [(3)-(4)]	0.14

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created / acquired - Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No amount has been spent on creation or acquisition of capital assets.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

**Vishad P. Mafatlal**  
Chairman  
DIN: 00011350

**Sudhir G. Mankad**  
Chairman - CSR Committee  
DIN: 00086077

Place: Mumbai / Gandhinagar  
Date: May 06, 2024

**Registered Office:**

Office No. 602, 6<sup>th</sup> 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 ID: [info@nfil.in](mailto:info@nfil.in); Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

Annexure 4(a)

## Executive Summary of CSR Impact Assessment

Navin Fluorine International Limited in collaboration with Charutar Arogya Mandal, has undertaken a noteworthy CSR initiative aimed at preserving the lives of individuals afflicted by COVID-19 and cancer. The Company has executed a comprehensive array of CSR endeavours within the healthcare sector. The initiatives have been thoughtfully crafted with the primary objective of providing substantial assistance to individuals grappling with the challenges posed by the pandemic and cancer.

The CSR intervention encompassed the fortification of healthcare infrastructure and equipment for the treatment of COVID-19 and the installation of advanced diagnostic equipment for cancer diagnosis.

The Company has made concerted efforts to ensure (i) timely and advanced healthcare for COVID-19 patients, employing the latest equipment and technology, and (ii) individuals diagnosed with cancer receive treatment utilizing state-of-the-art technologies i.e., automated microtome and automated strainer, to provide them with cutting-edge medical care.

The central focus under the 'strengthening of infrastructure and equipment for COVID-19 treatment' program for which the Company contributed ₹0.50 crores was directed towards the following:

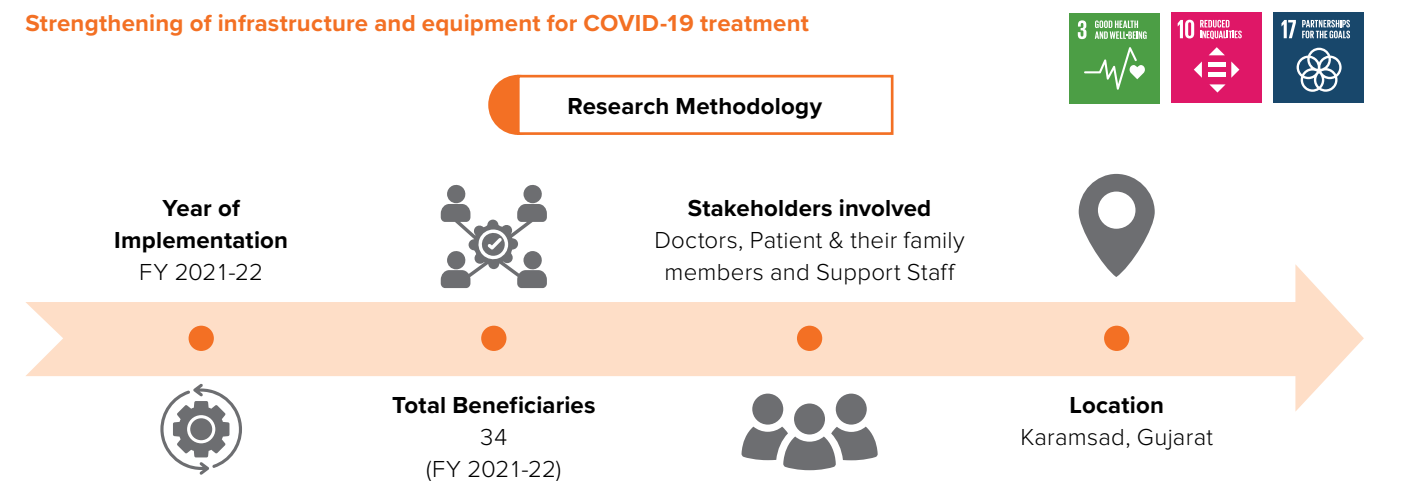
- Strengthening the Central Oxygen Supply System
- Creating COVID-19 care facilities
- Ensuring safety for caregivers and patients

This vital component of the healthcare infrastructure during the pandemic was to ensure an uninterrupted and adequate supply of oxygen, which is critically essential for the treatment of COVID-19 patients. With the graveness of the situation created by COVID-19 and the lack of adequate infrastructure in many hospitals, the Shree Krishna Hospital at Karamsad witnessed patients coming from far and wide. To cope with the same, strengthening and augmenting the critical care facilities was of utmost importance, which was addressed by this CSR intervention.

Cancer is a formidable adversary that has touched countless lives, and acknowledging this, Navin Fluorine has channelled its resources to fortify the capabilities of Shree Krishna Hospital, Karamsad in its battle against cancer by providing cutting-edge medical equipment - an automated microtome and an automated strainer in the diagnostic centre of the Hospital.

Under the 'Installation of equipment for cancer diagnosis', the program for which the Company contributed ₹0.42 crores, represents a crucial step in enhancing the capabilities of healthcare facilities in effectively diagnosing patients who are grappling with cancer. The instrumental components in this endeavour i.e., the Automated Microtome and Automated Strainer are two medical devices that are indispensable tools playing a significant role in cancer diagnosis.

### Strengthening of infrastructure and equipment for COVID-19 treatment



**Findings of the study:**

- 90% of the respondents confirmed that the newly installed equipment significantly contributed to the effective treatment during the pandemic, clearly demonstrating the success of this intervention.
- 90% of the respondents rated the doctors providing medical services in the hospital as very good to excellent.
- 86% of the respondents rated the COVID-19 tests conducted in the Hospital during the pandemic as ranging from very good to excellent.
- 93% of the respondents agreed that the Hospital was providing lifesaving medical aid during the COVID-19 pandemic.
- 100% of the attending medical professionals unanimously accorded an 'excellent' rating to the COVID-19 diagnostic centre's facilities.

**Impact created:**

- Necessary medical aid:** Access to essential equipment ensures patients receive the necessary medical care.
- Focused Doctors:** Healthcare professionals focus on patient care rather than resource allocation.
- Fast recovery:** Patients receive appropriate treatment promptly, potentially leading to faster recovery time.
- Improved public confidence:** Well-equipped hospitals handled COVID-19 cases effectively, this boosted public confidence in the healthcare system and encouraged people to seek medical care, when needed.
- Reduced mortalities:** Reduced mortality rate pursuant to adequate equipment supply.

**Installation of equipment for cancer diagnosis**



**Findings of the study:**

- 96% of the respondents agreed (including 8% somewhat agreed) that the services of Shree Krishna Hospital have improved pursuant to the installation of new equipment in the diagnosis centre.
- 91% of the respondents agreed (including 13% somewhat agreed) that because of the installation of new equipment in the diagnostic centre of the Hospital, it could provide results quickly to the patients.
- 100% of the respondents positively affirmed that the diagnostic tests are cost effective as compared to other diagnostic centres.

**Impact created:**

- Earlier detection:** Early detection of cancer and timely treatment, potentially improving patient outcomes.
- Reduced manpower:** Automated strainers reduced the need for technicians to perform repetitive and potentially error-prone tasks, freeing up skilled professionals to focus on more complex aspects of their work.
- Faster and more precise tissue processing.**
- Cost saving:** In the long run, automation leads to cost savings in pathology laboratories by reducing the need for manual labour and rework due to errors.

**Annexure 5**

**FORM NO. AOC 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

- DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS - NIL**
- DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS -**

**(a) Name(s) of the related party and nature of relationship:**

Navin Fluorine Advanced Sciences Limited ('NFASL'), Wholly Owned Subsidiary

**(b) Nature of contracts/arrangements/transactions**

Sale of goods/materials - ₹149.72 crores

**(c) Duration of the contracts/arrangements/transactions**

Ongoing, multi-year engagements

**(d) Salient terms of the contracts or arrangements or transactions including the value, if any:**

The sales to NFASL are in the ordinary course of business. Sales transactions are based on prevailing price lists. For FY 2023-24, the Company has not recorded any loss allowances for trade receivables from NFASL.

**(e) Date(s) of approval by the Board, if any:**

Not Applicable

**(f) Amount paid as advances, if any:**

Not Applicable

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**  
Chairman  
DIN: 00011350

Date: May 07, 2024  
Place: Mumbai

**Registered Office:**

Office No. 602, 6<sup>th</sup> Floor, Natraj by Rustomjee,  
Near Western Express Highway,  
194, Sir Mathuradas VasANJI Road,  
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CIN: L24110MH1998PLC115499

## Annexure 6

### Details of Employees' Stock Option Schemes

Disclosures with respect to Employees' Stock Option Scheme 2007 ('ESOS - 2007') and Employees' Stock Option Scheme 2017 ('ESOS - 2017') of the Company pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024:

- A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time

Members may refer to the annual audited financial statements prepared as per Indian Accounting Standard for the financial year 2023-24.

- B. Diluted Earnings Per Share (EPS) on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard (Ind-AS) 33 Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time

Diluted EPS for the financial year ended March 31, 2024 is ₹47.37 calculated in accordance with Ind-AS 33 (Earnings Per Share).

- C. Details related to ESOS - 2007 and ESOS - 2017

- 1) The description including general terms and conditions of each ESOS is summarised as under:

Sr. no.	Particulars	ESOS - 2007	ESOS - 2017
a	Date of shareholders' approval	July 20, 2007	June 29, 2017
b	Total number of options approved under ESOS	5,04,900 (face value of ₹10/- each) (equivalent to 25,24,500 of ₹2/- each after sub-division)	As may be determined by the Nomination and Remuneration Committee subject to maximum of 5% of issued and paid-up share capital of the Company from time to time
c	Vesting requirement	As may be determined by the Nomination and Remuneration Committee subject to minimum vesting period of 1 year from the date of grant of options	As may be determined by the Nomination and Remuneration Committee subject to minimum vesting period of 1 year from the date of grant of options and shall end over a maximum period of 5 years from the date of grant of the options
d	Exercise price or pricing formula	Market price of equity shares of the Company on the date prior to the date on which the Nomination and Remuneration Committee finalizes the specific number of options to be granted to the designated employees	As may be decided by the Nomination and Remuneration Committee and shall not be less than the face value per share
e	Maximum term of option granted	10 years from the date of grant	10 years from the date of grant
f	Source of shares (primary, secondary or combination)	Primary	Primary
g	Variation in terms of options	None	None

- 2) Method used to account for ESOS: Fair value
- 3) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed:

The Company uses intrinsic value method of accounting for options vested till March 31, 2016. Post implementation of Ind-AS, that is, from April 01, 2016, the Company adopts fair value method of accounting for options not vested till March 31, 2016.

- 4) Option movement during the year:

Sr. no.	Particulars	ESOS - 2007	ESOS - 2017
a	Number of options outstanding at the beginning of year	3,415	1,66,350
b	Number of options granted during the year	-	2,27,500
c	Number of options forfeited / lapsed during the year	-	1,05,000
d	Number of options vested during the year	-	-
e	Number of options exercised during the year	1,590	640
f	Number of shares arising as a result of exercise of options	1,590	640
g	Money realized by exercise of options	3,90,642	4,99,200
h	Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.
i	Number of options outstanding at the end of the year	1,825	2,88,210
j	Number of options exercisable at the end of the year	1,825	23,210

- 5) Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

- a) Weighted average exercise price – ₹2,629.10
- b) Weighted average fair value (Black Scholes Model) – ₹1,632.87

- 6) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

- a) Senior managerial as defined under Regulation 16(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of Employee	Designation	Number of options granted during the year	Exercise Price
Mr. Niraj B. Mankad	President Legal and Company Secretary	20,000	₹3,236/-
Mr. Anish P. Ganatra	Chief Financial Officer	20,000	₹3,236/-
Mr. Rajaraman Janakiraman	President & Chief Supply Chain Officer	20,000	₹3,326/-
Mr. Pankaj Lochan	Chief Human Resource Officer	20,000	₹3,326/-
Mr. Rajendrakumar Sahu	CEO - CDMO	20,000	₹3,326/-

- b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year – None, except as disclosed at sr. no. 6(a) above
- c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - Nil
- 7) A description of the method and significant assumptions used during the year to estimate the fair values of options including the following information:

Please refer to Notes to the Annual Audited Standalone Financial Statements – Note 44

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**  
**Chairman**  
**DIN: 00011350**

Date: May 07, 2024

Place: Mumbai

**Registered Office:**

Office No. 602, 6<sup>th</sup> 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 ID: [info@nfil.in](mailto:info@nfil.in); Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499

**Annexure 7**

**Disclosure under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024 and % increase in remuneration of each Director in the financial year:

Name of the Directors	Remuneration (₹ in crores)	Ratio	% Increase
Mr. Vishad P. Mafatlal	8.11	98.32	(23.98)
Mr. Mohan M. Nambiar	0.29	3.47	(17.32)
Mr. Pradip N. Kapadia	0.29	3.47	(16.47)
Mr. Sunil S. Lalbhai	0.29	3.56	(16.14)
Mr. Sudhir G. Mankad	0.27	3.22	(16.64)
Mr. Harish H. Engineer	0.28	3.35	(11.40)
Ms. Radhika V. Haribhakti	0.29	3.47	(16.47)
Mr. Atul K. Srivastava	0.27	3.22	(18.43)
Mr. Ashok U. Sinha	0.26	3.18	(15.89)
Mr. Sujal A. Shah	0.26	3.09	(18.14)
Ms. Apurva S. Purohit	0.26	3.13	(18.84)
Mr. Sudhir R. Deo (w.e.f. September 28, 2023)	0.24	2.92	N.A.
Mr. Radhesh R. Welling (up to December 15, 2023)	5.31	64.34	(63.08)

The % increase in remuneration of Mr. Niraj B. Mankad, President Legal and Company Secretary and Mr. Anish P. Ganatra, Chief Financial Officer is 10%.

2. % increase in median remuneration of employees in the financial year: 13.44%
3. The number of permanent employees on the rolls of the Company as on March 31, 2024: 1,029
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
Average increase for non-managerial employees is 36% for a period of 3 years (12% p.a.);  
Non managerial employees also get increase in Dearness Allowance as per Consumer Price Index; Average increase in total remuneration is approx. 10% (including Key Managerial Personnel), while average increase for managerial personnel is approx. 12%, which was in line with market standards.
5. It is affirmed that the remuneration is paid as per the Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees.

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

**Vishad P. Mafatlal**  
**Chairman**  
**DIN: 00011350**

Date: May 07, 2024

Place: Mumbai

**Registered Office:**

Office No. 602, 6<sup>th</sup> 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 ID: [info@nfil.in](mailto:info@nfil.in); Website: [www.nfil.in](http://www.nfil.in)  
CIN: L24110MH1998PLC115499



## Annexure 8

### 1. CONSERVATION OF ENERGY

#### A. Energy Conservation measures taken:

1. Replacement of high-power consumption centrifugal cooling water pump with new technology energy efficient pump.
2. Process optimization leads to a reduction of power and steam.
3. Hybrid power through third-party Power Purchase Agreement ('PPA') is implemented. The Company is planning on expanding the same.
4. Condensate recovery and recycling systems are implemented to reduce fuel and water consumption.
5. Optimization in raw water consumption at the site using the below activities:
  - a) Water balance was performed over the site to identify possible sources to reduce/optimize process and utility water consumption.
  - b) Flow meter installed at every plant's outlet.
  - c) Damaged pipelines were replaced with new ones.
  - d) Auto cut-off valve installed to overhead water tanks.
6. In an inorganic plant, a Process-to-process heat transfer opportunity is identified and implemented leading to Natural Gas ('NG') saving.
7. Replacement of water-cooled brine system compressors with air-cooled compressors to conserve water and power.
8. Replacement of cooling tower fans with highly efficient ones leads to a reduction in the power requirement.
9. Contract demand for grid power increased from 6,500 KVA to 8,500 KVA. This has led to a reduction in the use of gas captive power plants and reduced the energy per unit of power.
10. Improvement in NG consumption norms in the existing system by recycling the optimum quantity of the flue gases escaping from the stack back into the water pre-heater system.
11. Replacement of LCD lighting (CFL) with LED lighting in a phased manner.
12. Combined two different capacity air compressors to utilize as per load and changeover.

13. Power saving by utilizing auto cut-off system with fans of cooling tower resulted in energy savings.
14. Proper hot and cold insulation on regular basis leading to reduction in power and steam.
15. Developed condensate collection system in addition to existing recovery system, to recover condensate from 11 Nos. low pressure traps and 4 Nos. hot water system, leading to saving in NG, electricity and water consumption. Also, reduction of effluent load as earlier condensate drained in effluent pit, which leads to further saving in electricity and chemical consumption.

#### B. Additional investment and proposal, if any, being implemented for the reduction in consumption of energy:

1. Replacement of indirect chilling (for process condensation) by direct chilling.
2. Installation of back pressure turbine in steam generation area leading to in-house power generation.
3. Improvement in NG consumption norms by recovering heat from high-temperature flue gases escaping from the stack in the HAG system.
4. Capacity improvement in inorganic plants will lead to fuel reduction by the generation of steam from waste heat.
5. DM water preheating from process heat will lead to NG consumption reduction.
6. Following the approval of the hybrid power solution via a third-party PPA, the PPA application process is underway to expand renewable electricity utilization from 1 MW to 2.2 MW.
7. Waste heat recovery opportunity identified and implemented in new MEE system for reducing steam and power requirement.

#### C. Impact of the measures at (A) and (B) above for the reduction of energy consumption and the consequent impact on the cost of production of goods:

1. The above points will lead to significant savings of power at the present rate of production from this year onwards.
2. The above points will lead to significant savings of natural gas at the present rate of production from this year onwards.

3. The above points will lead to significant savings of fresh water at the present rate of production from this year onwards.
4. The above points will lead to a reduction of CO<sub>2</sub> at the present rate of production from this year onwards.

### 2. RESEARCH & DEVELOPMENT:

#### A. Specific areas in which R&D is carried out by the Company:

1. The Company has three state-of-the-art Research Centers located at Bhestan, Surat (Gujarat), Dewas (Madhya Pradesh) and Manchester Organics Limited (UK) to support the R&D activities across businesses.
2. The Surat Centre focusses on fluorinated agro / pharma intermediates, basic key raw materials, advanced intermediates and Active Ingredients contributing to organic, inorganic and specialty chemicals.
3. The R&D centers at Dewas and the UK, focus on advanced fluoro & non fluoro regulated starting materials (RSMs) and intermediates and their applications in the synthesis of pharmaceuticals at various clinical and commercial stages utilizing a wide spectrum of complex and specialized chemistry.
4. The research centers are predominantly focused on the following areas:
  - a. Collaborate with clients to manufacture specific products to help forge a long term partnership in the areas of fluorine chemistry and other niche chemistries of cyanation, high pressure catalytic reactions, cryogenic reactions, biocatalysis, flow chemistry, etc.
  - b. Deliver significant value to our customers by leveraging strong scientific skills, cost competitiveness and best practices in the areas of confidentiality and protection of intellectual property, technology transfer and support technology and manufacturing teams for successful manufacture of products.
  - c. Design and develop novel economically viable, safe, environment friendly commercial manufacturing.
  - d. Chemical processes employing new techniques to keep an edge in the market. Leverage expertise in various fluorination techniques, chemical transformations such as hydrogenation, acetylation, acylation, nitration, azidation, click chemistry, halogenations, halox, bromination, Sandmeyer bromination / hydroxylation, aromatic nucleophilic

substitution, acid / base catalyzed hydrolysis, Decarboxylation, Balz-Schiemann reaction, biocatalysis, carboxylation, metal mediated reactions, Mitsunobu reactions, rearrangements etc. to develop safe, innovative, cost effective, scalable and robust processes aligned to market needs. To meet above mentioned chemistry, the Company's R&D is well equipped with analytical tools like GC, HPLC, GC-MS, LC-MS, 1H NMR, Karl-Fisher reagent, ICPMS, IR, Ion Chromatography (IC) etc.

- e. Support manufacturing and process design to ensure technology scale-up and transfer with minimum failures. Continuous process improvement and trouble shooting in the existing product line using new ideas to make their processes more efficient and cost effective.
- f. Work towards the long-term vision of the Company by identifying, developing and employing innovative technology platforms and processes for selected products.
- g. The activities mentioned so far can be broadly categorized into two types namely, application of technology developed in-house to the manufacture of selected products and development of technology and processes for the manufacture of specific products of interest to customers.

#### B. Benefits derived as a result of the above R&D:

1. Continuously supported the commercial manufacturing activities for process improvement, cost reduction and sustainability of key specialty products, resulting in enhanced process efficiencies.
2. Commercialised R32 based on technology developed in-house.
3. Developed and manufactured pharmaceutical intermediates using in-house technologies, to meet the needs of innovative global life science companies, thus enhancing the business opportunities and improving the prospects of future business development with global majors.
4. Enhanced customer partnerships and added new customers across different BUs to develop processes for manufacture of their products and improvement in the routes, using our expertise and skill sets.
5. Focused on customer approach resulting in strengthened relationships with customers through participation in the value chain for their future product pipeline and long-term opportunities for organization as a strategic vendor both in India and abroad.

6. Several new process development initiatives to build pipeline of products with applications in life sciences, crop sciences and material sciences.

7. R&D Center at Dewas established a flow chemistry technology for a hazardous chemical conversion for one of the innovator companies and demonstrated on pilot scale for safe and scalable process.

**C. Future plan of action:**

R&D and Technology & Design continue to be key focus areas of the Company. With the new manufacturing facility at Dahej, R&D at Surat has been strengthened by investment in manpower, equipment and tools to handle newer technology platforms and more projects. The Company continues to focus on strengthening R&D and process scale-up facility for seamless and safer commercialization. The Company's CDMO business is expanding by creating additional pilot facility, new non-GMP kilo lab and analytical method validation lab at Dewas. It is also continuing efforts to leverage its capabilities with research based subsidiary company, Manchester Organics Limited, to widen its scope wherever necessary to manufacture value added niche chemical intermediates. In summary across our various businesses, plans are underway to further expand our capabilities by increasing our laboratory space and enhancing the team of our experts. The role is not limited to just developing new processes but also to support the technical services, production and manufacturing teams including trouble shooting for existing products.

**D. Expenditure on R&D:**

(₹ in crores)

Particulars	Financial Year 2023-24	Financial Year 2022-23
Capital Expenditure	80.10	5.65
Revenue Expenditure	44.94	30.74
<b>Total</b>	<b>125.04</b>	<b>36.39</b>

**3. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

**A. Efforts in brief made towards technology absorption, adaptation & innovation**

To stay abreast with science and technology, the Company has ventured into new areas such as continuous flow reactions for high energy functional groups at lab scale. The same is an alternative to batch process, with an improved yield and lower cost. The T&D team provides modern tools, customer networks and advanced online literatures to all its scientists to look for global techniques, to introduce required atom to a desired position in a molecule.

**B. Benefits derived as a result of above efforts:**

The efforts made thus far will result in:

- a) Enhanced safety and sustainability
- b) Increase in throughput of products in-turn enhancing the business within the Company
- c) Enhanced visibility through partners in India and abroad

**C. Information regarding technology imported during the last five years - NIL**

By order of the Board of Directors  
For **NAVIN FLUORINE INTERNATIONAL LIMITED**

Date: May 07, 2024  
Place: Mumbai

**Vishad P. Mafatlal**  
**Chairman**  
**DIN: 00011350**

**Registered Office:**

Office No. 602, 6<sup>th</sup> 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  
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CIN: L24110MH1998PLC115499

**Secretarial Audit Report of Navin Fluorine International Limited**

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

(Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**To,**  
**The Members,**  
**Navin Fluorine International Limited**  
Office No. 602, Natraj by Rustomjee,  
Near Western Express Highway,  
Sir Mathuradas Vasanji Road,  
Andheri East, Mumbai - 400069

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Navin Fluorine International Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (Overseas Direct Investment and External Commercial Borrowings not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

- (vi) As represented by the Company, following laws are specifically applicable to the Company:
- Ozone Depleting Substances (Regulations) Rules, 2000;
  - The Indian Boiler Act, 1923 (Amended 1960);
  - The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996;
  - The Hazardous Wastes (Management and Handling) Rules, 1989;
  - The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
  - Indian Explosive Act, 1884 read with applicable Rules made thereunder
  - The Petroleum Act, 1934 read with applicable Rules made thereunder.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (SEBI Listing Regulations’).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for meetings convened at a shorter notice, necessary approvals were obtained as per applicable provisions, and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting.

As per the Minutes, decisions at the Board Meetings were taken unanimously.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period, the following events occurred which had bearing on the Company’s affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc:

- Allotted 2,230 equity shares of face value of ₹2/- each towards exercise of options vested under the Employees’ Stock Option Scheme, 2007 and Employees’ Stock Option Scheme, 2017 of the Company.
- Passed special resolution to give loans, guarantees, provide securities, or make investments in excess of limits prescribed under Section 186 of the Act and shall not exceed ₹1000,00,00,000/- (INR One Thousand crores only) in excess of the limits prescribed in the Act, at any point of time, at the 25<sup>th</sup> Annual General Meeting held on July 31, 2023.
- Passed special resolution to raise funds for an aggregate amount not exceeding ₹750 crores (INR Seven Hundred and Fifty crores only), at the 25<sup>th</sup> Annual General Meeting held on July 31, 2023.

**We further report that** during the Audit Period, as informed to us the Company could not file Form MR 1 for re-appointment of Managing Director due to technical reasons, however the same was filed with e-Form GNL 2.

**For Parikh & Associates**  
Company Secretaries

**Mitesh Dhaliwala**  
Partner

Place: Mumbai  
Date: May 7, 2024

FCS No: 8331 CP No: 9511  
UDIN: F008331F000322403  
PR No.: 1129/2021

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Annexure A**

**To,**  
**The Members,**  
**Navin Fluorine International Limited**  
Office No. 602, Natraj by Rustomjee,  
Near Western Express Highway,  
Sir Mathuradas VasANJI Road,  
Andheri East, Mumbai - 400069

Our report of even date is to be read along with this letter.

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates**  
Company Secretaries

**Mitesh Dhaliwala**  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331F000322403  
PR No.: 1129/2021

Place: Mumbai  
Date: May 7, 2024

Annexure 10

## Secretarial Audit Report of Navin Fluorine Advanced Sciences Limited

### FORM No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024  
(Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**To,  
The Members,  
Navin Fluorine Advanced Sciences Limited**

Office No. 602, Natraj by Rustomjee,  
Near Western Express Highway,  
Sir Mathuradas VasANJI Road,  
Andheri East, Mumbai - 400069

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Navin Fluorine Advanced Sciences Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not Applicable to the Company during the Audit Period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011; (Not Applicable to the Company during the Audit Period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not Applicable to the Company during the Audit Period)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not Applicable to the Company during the Audit Period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) As represented by the Company, following laws are specifically applicable to the Company:
  - a. Ozone Depleting Substances (Regulations) Rules, 2000;
  - b. The Indian Boiler Act, 1923 (Amended 1960);
  - c. The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996;
  - d. The Hazardous Wastes (Management and Handling) Rules, 1989;
  - e. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
  - f. Indian Explosive Act, 1884 read with applicable Rules made thereunder
  - g. The Petroleum Act, 1934 read with applicable Rules made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and, General Meetings.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder to the extent applicable.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for meetings convened at a shorter notice, necessary approvals were obtained as per applicable provisions, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes, decisions at the Board Meetings were taken unanimously.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc:

- a. The Members of the Company, at the 4<sup>th</sup> EGM held on March 19, 2024, approved the following:
  - 1. Reclassification of the authorized share capital of the unissued ₹300,00,00,000 (INR Three Hundred crores only) divided into 30,00,00,000 (Thirty crores) equity shares of the face value of ₹10/- (INR Ten only) each as ₹300,00,00,000 (INR Three Hundred crores only) divided into 30,00,00,000 (Thirty crores) preference shares of the face value of ₹10/- (INR Ten only) each.
  - 2. Increase in the authorised share capital of the Company from the existing ₹1000,00,00,000 (INR One Thousand crores only) to ₹1400,00,00,000 (INR One Thousand and Four Hundred crores only) divided into 140,00,00,000 (One Hundred and Forty crores) shares of face value of ₹10 (INR Ten only) each, by addition of ₹400,00,00,000 (INR Four Hundred crores only) divided into 40,00,00,000

(Forty crores) preference shares of face value of ₹10 (INR Ten only) each.

crores Eighty-One Lakhs Sixty-Eight Thousand Four Hundred and Sixty only), through rights issue.

3. Amend the existing Clause V (i.e. Capital Clause) of the Memorandum of Association of the Company in view of Sr. Nos. 1 and 2 above.

**For Parikh & Associates**  
Company Secretaries

4. Issue 24,98,16,846 (Twenty-Four crores Ninety-Eight Lakhs Sixteen Thousand Eight Hundred and Forty-Six) Non-Cumulative, Non-Convertible, Non-participating, Redeemable Preference Shares ('Preference Shares') of the face value of ₹10/- (INR Ten only) each of the Company aggregating to ₹249,81,68,460 (INR Two Hundred Forty-Nine

**Jeenal Jain**  
Partner  
ACS No: 43855 CP No: 21246  
UDIN: A043855F000314202  
PR No.: 1129/2021

Place: Mumbai  
Date: May 6, 2024

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**To,  
The Members,  
Navin Fluorine Advanced Sciences Limited**

Office No. 602, Natraj by Rustomjee,  
Near Western Express Highway,  
Sir Mathuradas VasANJI Road,  
Andheri East, Mumbai - 400069

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates**  
Company Secretaries

**Jeenal Jain**  
Partner  
ACS No: 43855 CP No: 21246  
UDIN: A043855F000314202  
PR No.: 1129/2021

Place: Mumbai  
Date: May 6, 2024

## Independent Auditor's Report

To  
The Members of  
**Navin Fluorine International Limited**

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

- We have audited the accompanying standalone financial statements of Navin Fluorine International Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### BASIS FOR OPINION

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### KEY AUDIT MATTERS

- Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of Carrying Value of:</b></p> <p>a) Investment in Wholly Owned Subsidiaries i.e. NFIL (UK) Limited, UK and Manchester Organics Limited, UK; and</p> <p>b) Identified Property, Plant and Equipment (PP&amp;E) relating to Dewas Unit</p> <p>(Refer to Note 5A, 8, 53 and 57(h) in the standalone financial statements)</p> <p>The carrying value of the investment in above mentioned subsidiaries and the property, plant and equipment (PP&amp;E) relating to the Company's manufacturing facility at Dewas as at March 31, 2024 is ₹93.90 crore and ₹214.24 crores respectively, which in aggregate represents approximately 11.27% of the total assets of the Company.</p>	<ul style="list-style-type: none"> <li>Understood the management process for assessment of carrying values of investments and PP&amp;E, and also evaluated the design and tested the operating effectiveness of the Company's internal controls surrounding such assessment</li> <li>Reviewed the Company's accounting policy in respect of impairment assessment of investments and PP&amp;E</li> <li>Assessed whether the Company's determination of CGUs was consistent with our knowledge of the Company's operations</li> <li>Compared the previous year cash flow forecasts made by the management to actual results to assess the historical accuracy of forecasting</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>The said investments and PP&amp;E are carried at cost less depreciation and accumulated impairment losses, if any. The Company reviews their carrying values at every balance sheet date and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', where there is any indication of impairment to the carrying value. As mentioned in the note 53, the Management considers these investments and the said PP&amp;E as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable value.</p> <p>Management estimates recoverable value of the CGU based on discounted cash flows forecast, requiring judgements in respect certain key inputs like determining an appropriate discount rate, future cash flows and terminal growth rate - Changes in these assumptions could lead to an impairment to the carrying values of the investments and PP&amp;E forming part of the CGU.</p> <p>We have considered this to be a key audit matter as the carrying value of these investments and PP&amp;E is significant to the balance sheet and significant management judgement is involved in calculation of recoverable amount for the purpose of assessment of the appropriateness of the carrying amount.</p>	<ul style="list-style-type: none"> <li>To assess the reasonableness of the key assumptions used, in particular those relating to discount rates, cash flow forecasts and terminal growth rates applied: <ul style="list-style-type: none"> <li>Engaged with auditors' valuation experts to determine a range of acceptable discount rates and terminal growth rates, with reference to valuations of similar companies and other relevant external data.</li> <li>Performed sensitivity analysis on the forecasts by varying the key assumptions within a foreseeable range.</li> <li>Tested the cash flow forecasts used and assessed whether those were consistent with our understanding of the business.</li> </ul> </li> <li>Checked the arithmetic accuracy of the computations included in the discounted cash flow projections</li> <li>Evaluated the adequacy and appropriateness of disclosures made in the standalone financial statements</li> </ul> <p>Based on the above procedures performed, we noted that the management's assessment of the carrying value of the investments and the identified PP&amp;E is reasonable.</p>

#### OTHER INFORMATION

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Business responsibility and sustainability reporting format, report on corporate governance and management discussion and analysis report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

- The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements

that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 47 to the standalone financial statements.
  - ii. The Company has long-term contracts as at March 31, 2024 for which there were no material foreseeable losses. The Company did not have any long-term contracts including derivative contracts as at March 31, 2024.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 56 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 56 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions, except when

certain privileged access are used, the audit log does not capture the pre-modified values for the changes and the audit trail has not been enabled at the database level for the accounting software to log any direct data changes that can be only made through certain privileged access. Further, during the course of our audit wherever audit trail is enabled, we did not notice any instance of audit trail feature being tampered with. In respect to software used for processing payroll records, which is operated by a third party software service provider, the ISAE 3402 Type 2 report is not available with the software service provider and accordingly we are unable to comment whether the audit trail feature of

the aforesaid software was enabled and operated throughout the year.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number:012754N/N500016

**Jeetendra Mirchandani**  
*Partner*

Mumbai  
May 07, 2024

Membership Number: 048125  
UDIN: 24048125BKGOTZ8457

## Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the standalone financial statements for the year ended March 31, 2024

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls with reference to standalone financial statements of Navin Fluorine International Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.



### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number:012754N/N500016

**Jeetendra Mirchandani**  
Partner

Mumbai  
May 07, 2024

Membership Number: 048125  
UDIN: 24048125BKGOTZ8457

## Annexure B to Independent Auditors' Report

**Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Navin Fluorine International Limited on the standalone financial statements as of and for the year ended March 31, 2024**

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) • The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment
- The Company is maintaining proper records showing full particulars of Intangible Assets
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee and self-constructed properties), as disclosed in Notes 5A to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹5.00 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.
- iii. (a) The Company has granted unsecured loans to one company and four other parties and stood guarantee to one company. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below.

Particulars	(₹ in Crores)	
	Guarantees	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	473.00	54.00
- Others	-	0.60
Balance outstanding as a balance sheet date in respect of the above case		
- Subsidiaries	473.00	54.00
- Others	-	0.53

(Also, refer Note 10 & 17 on Loans and Note 46 on Commitments to the standalone financial statements)

The Company has not made any investments during the year and accordingly, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company to the extent.

(b) In respect of the aforesaid guarantees and loans, the terms and conditions under which such loans were granted and guarantees provided are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal and payment of interest has been

stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) Following loans were granted to same parties, which has fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(₹ in Crores)

Name of the parties	Aggregate amount of loans granted during the year	Aggregate overdue amount settled by renewal or extension granted to same parties	Percentage of the aggregate to the total loans granted during the year
Navin Fluorine Advanced Sciences Limited	54.00	176.00	325.93%

(Also, refer Note 10 and 17 to the standalone financial statements)

(f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 47 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues of provident fund, employees' state insurance, service tax, duty of customs and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In crores)*	Period to which the amount relate	Forum where dispute is pending
Central Excise Act	Excise Duty	0.90	1993-94 to 2005-06	High Court
Central Excise Act	Excise Duty	0.00	2005-06 & 2006-07	Assistant Commissioner of Central Excise
Central Excise Act	Excise Duty	2.54	Aug 2015 to June 2017	Tribunal
Central Excise Act	Excise Duty	2.51	2013-16	Tribunal
Central Excise Act	Excise Duty	0.31	2013-14 to 2014-15	Tribunal
MP Commercial Tax Act	Central Sales tax, Value Added Tax	0.12	1996-97 & 2006-07	Tribunal
MP Commercial Tax Act	Central Sales tax, Value Added Tax	0.01	1992-93 & 1993-94	Deputy Commissioner
The Gujarat Value Added Tax Act, 2003	Value Added Tax	0.04	2015-16	Joint Commissioner, Commercial Tax
UP VAT Act	Value Added Tax	0.69	1998-99 and 2000-01	Commissioner (Appeals)
Goods and Service Tax Act, 2017	Goods and Service Tax	0.27	2019-20	Commissioner (Appeals)
Goods and Service Tax Act, 2017	Goods and Service Tax	74.87	Oct 2018 to Dec 2020	Commissioner
Income-tax Act, 1961	Income tax	0.01	2018-19	Commissioner (Appeals)

\* net of amount paid under protest

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in

- accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number:012754N/N500016

**Jeetendra Mirchandani**

*Partner*

Mumbai  
May 07, 2024

Membership Number: 048125  
UDIN: 24048125BKGOTZ8457

## Standalone Balance Sheet

as at March 31, 2024

Particulars	Notes	Amount ₹ in crores unless otherwise stated	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
a. Property, plant and equipment	5A	609.35	414.72
b. Right-of-use assets	5B	22.79	12.34
c. Capital work-in-progress	5C	45.41	153.60
d. Investment properties	6	38.97	39.82
e. Other intangible assets	7	1.34	1.10
f. Financial assets			
i. Investment in Subsidiaries and Joint Ventures	8	693.87	693.87
ii. Investments	9	8.05	10.89
iii. Loans	10	0.25	0.32
iv. Other financial assets	10A	17.98	18.01
g. Non-current tax assets (Net)	11	11.78	29.31
h. Other non-current assets	12	5.36	6.68
<b>Total non-current assets</b>		<b>1,455.15</b>	<b>1,380.66</b>
<b>Current assets</b>			
a. Inventories	13	214.78	327.11
b. Financial assets			
i. Investments	14	451.81	31.11
ii. Trade receivables	15	320.09	392.72
iii. Cash and cash equivalents	16A	1.69	9.09
iv. Bank balances other than (iii) above	16B	4.74	4.89
v. Loans	17	234.19	180.35
vi. Other financial assets	18	12.95	12.52
c. Other current assets	19	38.28	63.08
		<b>1,278.53</b>	<b>1,020.87</b>
d. Assets classified as held for sale	19A	-	1.72
<b>Total current assets</b>		<b>1,278.53</b>	<b>1,022.59</b>
<b>Total assets</b>		<b>2,733.68</b>	<b>2,403.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a. Equity share capital	20	9.91	9.91
b. Other equity			
i. Reserves and surplus	21A	2,140.83	1,980.04
ii. Other reserves	21B	151.05	151.05
<b>Total equity</b>		<b>2,301.79</b>	<b>2,141.00</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a. Financial liabilities - Lease liabilities	22	14.69	9.37
b. Provisions	23	16.58	13.45
c. Deferred tax liabilities (Net)	24	39.74	17.51
d. Other non-current liabilities	25	13.45	13.47
<b>Total non-current liabilities</b>		<b>84.46</b>	<b>53.80</b>
<b>Current liabilities</b>			
a. Financial liabilities			
i. Borrowings	26	39.65	-
ii. Lease Liabilities	27	10.10	4.62
iii. Trade payables	27A		
a. Total outstanding dues of micro enterprises and small enterprises		18.84	27.37
b. Total outstanding dues other than (iii)(a) above		214.88	89.12
iv. Other financial liabilities	27B	28.00	33.60
b. Contract liabilities	27C	3.39	5.38
c. Provisions	28	10.06	6.36
d. Current tax liabilities (Net)	11	0.51	8.22
e. Other current liabilities	29	22.00	33.78
<b>Total current liabilities</b>		<b>347.43</b>	<b>208.45</b>
<b>Total liabilities</b>		<b>431.89</b>	<b>262.25</b>
<b>Total equity and liabilities</b>		<b>2,733.68</b>	<b>2,403.25</b>
<b>Material Accounting Policies</b>	2		

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**  
Partner  
Membership No. 048125

Mumbai, May 07, 2024

**For and on behalf of the Board of Directors**

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

**Niraj B. Mankad**  
Company Secretary

Mumbai, May 07, 2024

**Anish P. Ganatra**  
Chief Financial Officer

## Standalone Statement of Profit and Loss

for the year ended March 31, 2024

Particulars	Notes	Amount ₹ in crores unless otherwise stated	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from operations	30	1,420.83	1,628.14
Other Income	31	67.37	41.00
<b>Total Income</b>		<b>1,488.20</b>	<b>1,669.14</b>
<b>EXPENSES</b>			
Cost of materials consumed	32	650.57	721.53
Changes in inventories of finished goods and work-in-progress	33	16.69	(6.27)
Employee benefit expense	34	209.50	202.98
Finance costs	35	4.96	2.05
Depreciation and amortisation expense	36	57.58	42.60
Other Expenses	37	308.56	288.01
<b>Total Expenses</b>		<b>1,247.86</b>	<b>1,250.90</b>
<b>Profit before exceptional item and tax</b>		<b>240.34</b>	<b>418.24</b>
Exceptional item	50	52.13	-
<b>Profit before tax</b>		<b>292.47</b>	<b>418.24</b>
<b>Tax expenses</b>			
(1) Current tax			
(a) for the year	38	60.72	104.93
(b) for earlier year	38	(25.65)	-
(2) Deferred tax	24.1	22.23	0.82
<b>Total Tax expenses</b>		<b>57.30</b>	<b>105.75</b>
<b>Profit for the year</b>		<b>235.17</b>	<b>312.49</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Remeasurement loss of the defined benefit obligations		(2.11)	1.04
<b>Current tax relating to the above</b>		0.53	(0.26)
<b>Total other comprehensive income, net of tax</b>		<b>(1.58)</b>	<b>0.78</b>
<b>Total comprehensive income for the year</b>		<b>233.59</b>	<b>313.27</b>
Earnings per equity share (of face value of ₹2.00 each)	40		
(1) Basic (in ₹)		<b>47.44</b>	<b>63.05</b>
(2) Diluted (in ₹)		<b>47.37</b>	<b>62.83</b>
<b>Material Accounting Policies</b>	2		

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**  
Partner  
Membership No. 048125

Mumbai, May 07, 2024

**For and on behalf of the Board of Directors**

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

**Niraj B. Mankad**  
Company Secretary  
Mumbai, May 07, 2024

**Anish P. Ganatra**  
Chief Financial Officer

## Standalone Statement of Cash Flows

for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>292.47</b>	<b>418.24</b>
Adjustments for:		
Depreciation and amortisation expense	57.58	42.60
Exceptional Item	(52.13)	-
Loss / (Gain) on sale / write off of property, plant and equipment (Net)	0.43	(1.97)
Gain on sale of investments (Net)	(4.88)	(8.91)
Changes in fair value of financial assets at fair value through profit or loss	(10.82)	(0.96)
Employee Share-based payment expense	1.47	16.79
Finance Costs	4.96	2.05
Interest income	(16.37)	(11.79)
Lease rental income on investment properties	(8.13)	(9.41)
Net (Gain) / Loss on foreign currency transactions	(0.55)	0.78
Dividend Income	(0.03)	(0.03)
Excess provision/ liabilities written back	(0.01)	(0.50)
Provision for doubtful debts	0.81	2.03
<b>Operating profit before changes in operating assets and liabilities</b>	<b>264.80</b>	<b>448.92</b>
Adjustments for:		
Decrease / (Increase) in trade receivables	72.88	(43.39)
Decrease / (Increase) in inventories	112.33	(97.65)
Decrease / (Increase) in other assets	33.54	(40.00)
(Decrease) / Increase in trade and other payables	107.14	(8.03)
<b>Cash generated from operations</b>	<b>590.69</b>	<b>259.85</b>
Income taxes paid (net of refunds)	(35.10)	(108.08)
<b>Net cash generated from operating activities</b>	<b>555.59</b>	<b>151.77</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(142.40)	(194.36)
Proceeds from sale of property, plant and equipment	55.53	2.16
Decrease / (Increase) in deposits with banks	0.17	(0.28)
Repayments of loans and advances from Subsidiaries	1.71	7.49
Inter Corporate deposits given to Subsidiaries	(54.00)	(328.00)
Repayment of Inter Corporate deposits from Subsidiaries	-	445.00
Payments for purchase of investments	(1,460.50)	(1,261.86)
Amount invested in Subsidiaries	-	(190.48)
Proceeds from sale of investments	1,058.33	1,345.08
Lease rental income on investment properties	8.87	9.75
Dividend received	0.03	0.03
Interest received	15.43	8.57
<b>Net cash used in investing activities</b>	<b>(516.83)</b>	<b>(156.90)</b>

## Standalone Statement of Cash Flows

for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from financing activities</b>		
Proceeds from Borrowings (Net)	39.65	-
Principal elements of lease payments	(6.45)	(4.19)
Calls in arrears received (including securities premium)	-	0.01
Proceeds from allotment of Employee Stock Option Plan (ESOP)	0.09	1.23
Dividend paid	(74.49)	(54.28)
Interest paid	(4.96)	(2.06)
<b>Net cash used in financing activities</b>	<b>(46.16)</b>	<b>(59.29)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(7.40)</b>	<b>(64.42)</b>
Cash and cash equivalents at the beginning of the year	9.09	73.51
<b>Cash and cash equivalents at the end of the year</b>	<b>1.69</b>	<b>9.09</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
Cash and cash equivalents [See note 16A]	<b>1.69</b>	<b>9.09</b>
Balances as per statement of cash flows	1.69	9.09

### Notes:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Statement of Cash Flows" as notified under Companies (Accounts) Rules, 2015.

The above Standalone Cash Flow should be read in conjunction with the accompanying notes.

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**  
Partner  
Membership No. 048125

**For and on behalf of the Board of Directors**

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

**Anish P. Ganatra**  
Chief Financial Officer

**Niraj B. Mankad**  
Company Secretary

Mumbai, May 07, 2024

Mumbai, May 07, 2024

## Standalone Statement of Changes in Equity

for the year ended March 31, 2024

### A. EQUITY SHARE CAPITAL

Amount ₹ in crores unless otherwise stated

Particulars	Amount
<b>Balance as at March 31, 2022</b>	9.91
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
<b>Balance as at March 31, 2023</b>	<b>9.91</b>
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
<b>Balance as at March 31, 2024</b>	<b>9.91</b>

\* Numbers are below rounding off

### B. OTHER EQUITY

Particulars	Reserves & Surplus			Other Reserves				Total other equity	
	Securities Premium Reserve	General Reserve	Share Options Outstanding Account	Retained Earnings	Capital Reserve 1	Capital Reserve 2	Capital redemption reserve		Call in arrears / share options pending for allotment
<b>Balance as at March 31, 2022</b>	<b>25.47</b>	<b>73.33</b>	<b>1.30</b>	<b>1,603.16</b>	<b>80.35</b>	<b>70.35</b>	<b>0.34</b>	<b>0.01</b>	<b>1,854.31</b>
Profit for the year	-	-	-	312.49	-	-	-	-	312.49
Other comprehensive income for the year, net of income tax	-	-	-	0.78	-	-	-	-	0.78
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313.27</b>
Shares issued on exercise of employee stock options during the year	1.71	-	-	-	-	-	-	-	1.71
Recognition of share-based payments (Net)	-	-	16.32	-	-	-	-	-	16.32
Payment of dividends	-	-	-	(54.52)	-	-	-	-	(54.52)
<b>Balance as at March 31, 2023</b>	<b>27.18</b>	<b>73.33</b>	<b>17.62</b>	<b>1,861.91</b>	<b>80.35</b>	<b>70.35</b>	<b>0.34</b>	<b>0.01</b>	<b>2,131.09</b>
Profit for the year	-	-	-	235.17	-	-	-	-	235.17
Other comprehensive income for the year, net of income tax	-	-	-	(1.58)	-	-	-	-	(1.58)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>233.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>233.59</b>
Shares issued on exercise of employee stock options during the year	0.09	-	-	-	-	-	-	-	0.09
Recognition of share-based payments (Net)	-	-	1.47	-	-	-	-	-	1.47
Payment of dividends	-	-	-	(74.36)	-	-	-	-	(74.36)
<b>Balance as at March 31, 2024</b>	<b>27.27</b>	<b>73.33</b>	<b>19.09</b>	<b>2,021.14</b>	<b>80.35</b>	<b>70.35</b>	<b>0.34</b>	<b>0.01</b>	<b>2,291.88</b>

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No. 012754N/N500016

Jeetendra Mirchandani  
Partner  
Membership No. 048125

Mumbai, May 07, 2024

For and on behalf of the Board of Directors

Vishad P. Mafatlal  
Chairman  
(DIN:00011350)

Niraj B. Mankad  
Company Secretary

Mumbai, May 07, 2024

Anish P. Ganatra  
Chief Financial Officer

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

### 1. CORPORATE INFORMATION

Navin Fluorine International Limited ("the Company") is a public limited company, incorporated under the provisions of the Companies Act, 1956. Its registered office is located at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas VasANJI Road, Andheri (East), Mumbai 400069.

It's shares are listed on the Bombay and National stock exchanges. The Company belongs to the Padmanabh Mafatlal Group, with a legacy of business operations since 1967, having one of the largest integrated fluorochemicals complex in India. The Company primarily focuses on fluorine chemistry - producing refrigeration gases, inorganic fluorides, specialty organofluorines and offers Contract Research and Manufacturing Services. Its manufacturing facilities are located at Surat in Gujarat and Dewas in Madhya Pradesh.

### 2. MATERIAL ACCOUNTING POLICIES

#### a) Basis of Preparation

##### (i) Compliance with Indian Accounting Standards (Ind AS)

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

##### (ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration are measured at fair value
- defined benefit plans – plan assets are measured at fair value
- share-based payments are measured at fair value

##### (iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain accounting standards (see below), and are effective April 01, 2023.

- Disclosure of accounting policies – amendment to Ind AS 1
- Disclosure of accounting estimates - amendment to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior period and are not expected to significantly affect the current or further periods. Specifically, no changes would be necessary as consequences of amendments made to Ind AS 12 as the Company's accounting policy already complies with now mandatory treatment.

#### b) Revenue recognition

##### (i) Sale of Goods

Revenue is generated primarily from sale of chemicals. Revenue is recognized at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of lading as per the terms of contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

### (ii) Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

### (iii) Contract liability

A contract liability is the obligation to transfer goods / render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods / rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

### (iv) Export Incentives

Export incentives are recognised for based on the eligibility and when there is no uncertainty in receiving the same.

## c) Leases

### (i) As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

#### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

See note 57(d) for the other accounting policies relevant to Leases.

## d) Income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

## e) Employee benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

### (ii) Other long-term employee benefit obligations Leave Obligations

The Company has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

#### Defined benefit plan

##### Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity in the balance sheet.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

### Provident fund liability

The Company contributes towards, superannuation fund and provident fund which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Provident Fund for certain employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognized by the Income Tax authorities where other entities are also the participant. Periodic contributions to the Fund are charged to the Statement of Profit and Loss and when services are rendered by the employees. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

### f) Employee share-based payment arrangements

Eligible employees of the Company receives remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share-based payment, the fair value on the grant date of the awards given to eligible employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this pricing model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

### g) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment which are not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the CDMO assets mentioned in table below, where useful life is different than those prescribed in Schedule II. The estimated useful life of the CDMO assets, mentioned in table below, has been assessed based on external technical evaluation which considered the nature of the assets, estimated usage of the assets, the operating condition of the assets, anticipated technological changes, manufacturer warranties, experience of the management and group companies, maintenance support, etc:

Assets	Useful Life
Plant and Machinery	5-30 years
Building	50 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

See note 57(e) for the other accounting policies relevant to Property, Plant and Equipment.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

### h) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable, borrowing costs.

Investment properties are depreciated using straight line method over their useful lives specified in Schedule II to the Companies Act, 2013.

See note 57(g) for the other accounting policies relevant to Investment properties.

### i) Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on weighted average basis. Cost includes all charges in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

### j) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in the current liabilities in the balance sheet.

### k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

### l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### m) Provisions and contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.



## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

### n) Investment in subsidiaries and joint ventures

Investments in subsidiary companies and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

### o) Investment and other financial assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of Profit and Loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income.

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Profit or Loss are expensed in the Statement of Profit and Loss.

#### (a) Debt Instruments:

Subsequent measurement of debt instruments depends on the Company business model for managing the assets and cash flows characteristic. There are three measurement categories into which the Company classifies its debt instruments.

- **Amortised Cost:** Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the Statement of Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Profit and Loss
- **Fair value through other comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). The Company does not have debt instrument measured under this category

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

- **Fair Value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognized in the Statement of Profit and Loss. Interest income from these financial assets is included in other income. Debt instrument under this category comprises of investments in mutual funds that do not qualify for measurement at either at amortised cost or FVOCI

### (b) Equity instruments

The Company subsequently measures all equity investments other than investment in subsidiary companies and joint venture at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Company determines whether there has been a significant increase in credit risk.

### (v) Income recognition

#### • Interest income:

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognized in the Statement of Profit and Loss as part of other income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance)

#### • Dividend:

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably

### p) Exceptional items

If the management believes that losses are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

## 3. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and current tax payable [Refer note:38]
- Estimated fair value of unlisted equity securities. [Refer note:43.2]
- Useful lives of property, plant and equipment and intangible assets. [Refer note:5A & 7]
- Estimation of Defined benefits plan [Refer note:42]
- Estimation of contingent liabilities [Refer note:47]
- Impairment of trade receivables [Refer note:43.5]

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### 4. ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 5A. PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Freehold land	Buildings	Office equipment	Vehicles	Plant and machinery	Furniture and fixture	Total
<b>I. Gross Block</b>							
Balance as at April 01, 2022	0.37	85.52	16.43	3.16	418.77	11.83	536.08
Additions	-	3.04	3.58	-	74.20	0.13	80.95
Assets included in a disposal group classified as held for sale	*	(2.70)	-	-	-	-	(2.70)
Disposals/Adjustments	-	-	(0.05)	-	(1.24)	-	(1.29)
<b>Balance as at March 31, 2023</b>	<b>0.37</b>	<b>85.86</b>	<b>19.96</b>	<b>3.16</b>	<b>491.73</b>	<b>11.96</b>	<b>613.04</b>
<b>II. Accumulated depreciation</b>							
Balance as at April 01, 2022	-	14.48	6.15	1.31	138.09	3.18	163.21
Depreciation expense for the year	-	1.99	1.68	0.40	31.75	1.37	37.19
Assets included in a disposal group classified as held for sale	-	(0.98)	-	-	-	-	(0.98)
Disposals/Adjustments	-	-	(0.03)	-	(1.07)	-	(1.10)
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>15.49</b>	<b>7.80</b>	<b>1.71</b>	<b>168.77</b>	<b>4.55</b>	<b>198.32</b>
<b>Net block (I-II)</b>							
<b>Balance as at March 31, 2023</b>	<b>0.37</b>	<b>70.37</b>	<b>12.16</b>	<b>1.45</b>	<b>322.96</b>	<b>7.41</b>	<b>414.72</b>
<b>I. Gross Block</b>							
Balance as at April 01, 2023	<b>0.37</b>	<b>85.86</b>	<b>19.96</b>	<b>3.16</b>	<b>491.73</b>	<b>11.96</b>	<b>613.04</b>
Additions	-	23.28	4.21	0.26	211.74	6.91	246.40
Assets included in a disposal group classified as held for sale	-	-	-	-	-	-	-
Disposals/Adjustments	*	-	(0.28)	(1.12)	(8.45)	(0.35)	(10.20)
<b>Balance as at March 31, 2024</b>	<b>0.37</b>	<b>109.14</b>	<b>23.89</b>	<b>2.30</b>	<b>695.02</b>	<b>18.52</b>	<b>849.24</b>
<b>II. Accumulated depreciation</b>							
Balance as at April 01, 2023	-	<b>15.49</b>	<b>7.80</b>	<b>1.71</b>	<b>168.77</b>	<b>4.55</b>	<b>198.32</b>
Depreciation expense for the year	-	2.36	2.24	0.31	42.83	1.93	49.67
Assets included in a disposal group classified as held for sale	-	-	-	-	-	-	-
Disposals/Adjustments	*	-	(0.18)	(0.90)	(6.75)	(0.27)	(8.10)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>17.85</b>	<b>9.86</b>	<b>1.12</b>	<b>204.85</b>	<b>6.21</b>	<b>239.89</b>
<b>Net block (I-II)</b>							
<b>Balance as at March 31, 2024</b>	<b>0.37</b>	<b>91.29</b>	<b>14.03</b>	<b>1.18</b>	<b>490.17</b>	<b>12.31</b>	<b>609.35</b>

\*Numbers are below rounding off

Note:

Refer note 46 for details of Capital commitment relating to Property, plant and equipment.

### 5B. RIGHT-OF-USE ASSETS

This note provides information for leases where the Company is a lessee. The Company leases various Premises, Vehicles and Plant and machinery.

Description	Premises	Vehicles	Plant and machinery	Total
<b>I. Gross Block</b>				
Balance as at April 01, 2022	17.20	1.56	0.83	19.59
Addition	-	2.12	-	2.12
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	(0.65)
Balance as at March 31, 2023	<b>17.04</b>	<b>3.54</b>	<b>0.48</b>	<b>21.06</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 5B. RIGHT-OF-USE ASSETS (contd.)

Description	Premises	Vehicles	Plant and machinery	Total
<b>II. Accumulated depreciation</b>				
Balance as at April 01, 2022	3.42	0.92	0.60	4.94
Depreciation/amortisation expense for the year	3.66	0.57	0.20	4.43
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	(0.65)
<b>Balance as at March 31, 2023</b>	<b>6.92</b>	<b>1.35</b>	<b>0.45</b>	<b>8.72</b>
<b>Net block (I-II)</b>				
<b>Balance as at March 31, 2023</b>	<b>10.12</b>	<b>2.19</b>	<b>0.03</b>	<b>12.34</b>
<b>I. Gross Block</b>				
Balance as at April 01, 2023	17.04	3.54	0.48	21.06
Addition	0.61	7.73	8.90	17.24
Disposals/Adjustments	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>17.65</b>	<b>11.27</b>	<b>9.38</b>	<b>38.30</b>
<b>II. Accumulated depreciation</b>				
Balance as at April 01, 2023	6.92	1.35	0.45	8.72
Depreciation/amortisation expense for the year	3.58	1.87	1.34	6.79
Disposals/Adjustments	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>10.50</b>	<b>3.22</b>	<b>1.79</b>	<b>15.51</b>
<b>Net block (I-II)</b>				
<b>Balance as at March 31, 2024</b>	<b>7.15</b>	<b>8.05</b>	<b>7.59</b>	<b>22.79</b>

### 5C. CAPITAL WORK-IN PROGRESS

#### (a) Movement of Capital work-in-progress

Description	Total
Balance as at March 31, 2022	25.88
Addition	210.70
Disposals/Adjustments/Transfers	(82.98)
<b>Balance as at March 31, 2023</b>	<b>153.60</b>
Addition	139.49
Disposals/Adjustments/Transfers	(247.68)
<b>Balance as at March 31, 2024</b>	<b>45.41</b>

#### (b) Ageing of Capital work-in-progress

Particulars	As at March 31, 2024				
	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i) Projects in Progress	43.34	0.10	1.97	-	45.41
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>43.34</b>	<b>0.10</b>	<b>1.97</b>	<b>-</b>	<b>45.41</b>
Particulars	As at March 31, 2023				
	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i) Projects in Progress	151.42	2.18	-	-	153.60
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>151.42</b>	<b>2.18</b>	<b>-</b>	<b>-</b>	<b>153.60</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 5C. CAPITAL WORK-IN PROGRESS (contd.)

#### (c) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	As at March 31, 2024				
	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
<b>i) Projects in Progress</b>	19.85	-	-	-	19.85
Project A	-	-	-	-	-
Project B	-	-	-	-	-
<b>Total Project in Progress</b>	<b>19.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.85</b>
<b>ii) Projects temporarily suspended</b>	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<b>Total Projects in temporarily suspended</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>19.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.85</b>

Particulars	As at March 31, 2023				
	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
<b>i) Projects in Progress</b>	28.40	-	-	-	28.40
Project A	-	-	-	-	-
Project B	-	-	-	-	-
<b>Total Project in Progress</b>	<b>28.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.40</b>
<b>ii) Projects temporarily suspended</b>	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<b>Total Projects in temporarily suspended</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>28.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.40</b>

### 6. INVESTMENT PROPERTIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Gross carrying amount</b>		
Opening Balance	45.78	45.78
Additions	-	-
Disposals	-	-
Closing Balance	<b>45.78</b>	<b>45.78</b>
<b>II. Accumulated depreciation</b>		
Opening Balance	5.96	5.11
Charge for the year	0.85	0.85
Closing Balance	<b>6.81</b>	<b>5.96</b>
<b>Net carrying amount (I-II)</b>	<b>38.97</b>	<b>39.82</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 6. INVESTMENT PROPERTIES (contd.)

#### (i) Amount recognised in the Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income (refer note 31)	8.13	9.41
Direct operating expenses from property that generated rental income	2.39	2.33
<b>Profit from investment properties before depreciation</b>	<b>5.74</b>	<b>7.08</b>
Depreciation	0.85	0.85
<b>Profit from investment properties</b>	<b>4.89</b>	<b>6.23</b>

#### (ii) The Company has given office premises under lease rental agreement. Details of minimum lease payments for non-cancellable leases are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
not later than one year	3.49	5.63
later than one year and not later than five years	9.20	15.27
<b>Total</b>	<b>12.69</b>	<b>20.90</b>
Operating lease rentals credited to the Statement of Profit and Loss (refer note 31)	<b>8.13</b>	<b>9.41</b>

#### (iii) Fair Value

Particulars	As at March 31, 2024	As at March 31, 2023
Investment properties	<b>167.55</b>	<b>152.52</b>

The company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by independent valuer. The valuation is based on market research, market trend and comparable values as considered appropriate. All resulting fair value estimates for investment properties are included in level 3.

### 7. OTHER INTANGIBLE ASSETS

Particulars	Software
Balance as at April 01, 2022	2.94
Additions	0.83
Deduction/Adjustment	-
<b>Balance as at March 31, 2023</b>	<b>3.77</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 7. OTHER INTANGIBLE ASSETS (contd.)

Particulars	Software
<b>Accumulated amortisation</b>	
Balance as at April 01, 2022	2.53
Amortisation expense	0.13
Deduction/Adjustment	0.01
<b>Balance as at March 31, 2023</b>	<b>2.67</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>1.10</b>
Balance as at April 01, 2023	3.77
Additions	0.51
Deduction/Adjustment	-
<b>Balance as at March 31, 2024</b>	<b>4.28</b>
<b>Accumulated amortisation</b>	
Balance as at April 01, 2023	2.67
Amortisation expense	0.27
Deduction/Adjustment	-
<b>Balance as at March 31, 2024</b>	<b>2.94</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>1.34</b>

### 8. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
<b>Investments in Equity Instruments</b>				
<b>In subsidiaries (Unquoted, fully paid up) - (at cost)</b>				
- Equity shares of Sulakshana Securities Limited of ₹10.00 each	150,000	8.31	150,000	8.31
- Equity shares of Navin Fluorine Advanced Sciences Limited of ₹10.00 each	590,476,182	590.48	590,476,182	590.48
- Equity shares of Manchester Organics Limited of GBP 0.01 each	5,100	32.65	5,100	32.65
- Equity shares of NFIL (UK) Limited of GBP 1.00 each	6,450,000	61.25	6,450,000	61.25
<b>In subsidiary (Unquoted, fully paid up) - (at fair value)</b>				
- Equity shares of Navin Fluorine (Shanghai) Co. Ltd. of RMB 1.00 each. [Gross (-) impairment of ₹5.88 crores (March 31, 2023: ₹5.88 crores)]	5,652,995	-	5,652,995	-
<b>In joint ventures (Unquoted, fully paid up) - (at cost)</b>				
- Equity shares of Swarnim Gujarat Fluorspar Private Limited of ₹10.00 each	1,182,500	1.18	1,182,500	1.18
<b>Total</b>		<b>693.87</b>		<b>693.87</b>
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		693.87		693.87
Aggregate amount of impairment in value of investments		5.88		5.88

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 9. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
<b>(a) Investments in Equity Instruments</b>				
<b>Unquoted, fully paid up - (at fair value through profit or loss)</b>				
- Equity shares of Cebon Apparel Private Limited of ₹10.00 each	390,591	3.36	481,600	3.65
- Equity shares of Mafatlal Services Limited of ₹100.00 each [Gross (-) impairment of ₹0.13 crores (March 31, 2023: ₹0.13 crores)]	9,300	-	9,300	-
<b>(b) Investments in Alternate investment fund - (at fair value through profit or loss)</b>				
- ASK Real Estate Special Situation Fund - I -RESSF-4071	381	4.69	541	7.24
<b>Total</b>		<b>8.05</b>		<b>10.89</b>
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		8.05		10.89
Aggregate amount of impairment in value of investments		0.13		0.13

### 10. LOANS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to employees	0.25	0.32
	<b>0.25</b>	<b>0.32</b>
Less: Loss allowance	-	-
<b>Total</b>	<b>0.25</b>	<b>0.32</b>

### Break-up of Security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.25	0.32
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
<b>Total</b>	<b>0.25</b>	<b>0.32</b>
Loss allowance	-	-
<b>Total</b>	<b>0.25</b>	<b>0.32</b>

### 10A. OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks held as margin money*	6.06	6.09
Security deposits	10.52	9.84
Rent Receivable	1.40	2.08
<b>Total</b>	<b>17.98</b>	<b>18.01</b>

\* The above bank deposits are marked as lien against bank guarantees.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 11. NON-CURRENT TAX ASSETS / CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current Tax Assets [net of provision ₹224.46 crores (March 31, 2023: ₹381.73 crores)]	11.78	29.31
Current Tax Liability [net of Advance tax ₹150.90 crores (March 31, 2023: ₹182.86 crores)]	0.51	8.22

### 12. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	3.57	4.66
Prepaid expenses	0.12	0.35
Advance Fringe benefit tax	0.04	0.04
Advances towards a Project (refer note 49)	1.63	1.63
<b>Total</b>	<b>5.36</b>	<b>6.68</b>

### 13. INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	127.92	223.49
Work-in-progress	31.74	40.51
Finished goods	39.40	47.32
Stores and Spares	15.72	15.79
<b>Total</b>	<b>214.78</b>	<b>327.11</b>

Write-downs of inventories to net realisable value amounted to ₹2.24 crores (March 31, 2023: ₹1.57 crores). These were recognised as an expense during the year and included in "Cost of materials consumed" and in "Changes in Inventories of finished goods and work-in-progress" in the Statement of Profit and Loss.

### 14. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
<b>(a) Investments in Equity Instruments (Quoted, fully paid up) - (at fair value through profit or loss)</b>				
- Equity shares of NOCIL Limited of ₹10.00 each	110,000	2.74	110,000	2.27
<b>(b) Investments in mutual funds (Unquoted) - (at fair value through profit or loss)</b>				
- ICICI Ultra Short Term Fund - Regular Plan - Growth Option	5,036,768	12.75	-	-
- Mirae Asset Liquid Fund - Regular Plan - Growth Option	183,887	36.29	-	-
- UTI Liquid Cash Plan - Regular Plan - Growth Option	72,978	28.66	-	-
- Axis Liquid Fund - Regular Plan - Growth Option	138,111	36.80	-	-
- Aditya Birla SunLife Liquid Fund - Regular Plan - Growth Option	636,029	24.53	-	-
- HSBC Liquid Fund - Regular Plan - Growth Option	95,677	22.84	-	-
- Nippon India Money Market Fund - Regular Plan - Growth Option	34,418	13.01	-	-

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 14. INVESTMENTS (contd.)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
- Bandhan Liquid Fund - Regular Plan - Growth Option	43,203	12.50	-	-
- Bandhan Ultra Short Term Fund - Regular Plan - Growth Option	8,399,383	11.68	-	-
- TATA Liquid Fund - Regular Plan - Growth Option	113,945	32.57	-	-
- HDFC Overnight Fund - Regular Plan - Growth Option	212,103	13.02	-	-
- HDFC Ultra Short Term Fund - Regular Plan - Growth Option	9,204,077	12.74	-	-
- HDFC Liquid Fund - Regular Plan - Growth Option	88,602	41.63	-	-
- ICICI Pru Liquid Fund - Regular Plan - Growth Option	747,132	19.01	-	-
- Sundaram Liquid Fund - Regular Plan - Growth Option	9,522	8.49	72,863	11.05
- Mirae Asset Overnight Fund - Regular Plan - Growth Option	876,019	3.04	-	-
- Nippon India Liquid Fund - Regular Plan - Growth Option	67,087	39.20	-	-
- Nippon India Ultra Short Duration Fund - Regular Plan - Growth Option	25,069	9.25	-	-
- UTI Overnight Fund - Regular Plan - Growth Option	623,943	29.59	-	-
- AXIS Overnight Fund - Regular Plan - Growth Option	720,312	33.55	50,869	6.02
- ICICI Prudential Overnight Fund - Regular Plan - Growth Option	138,281	6.07	74,808	9.00
<b>(c) Investments in Bonds/debentures (Unquoted, fully paid up) - (at amortised cost)</b>				
10% Non-convertible debentures of ATS Infrabuild Private Limited SR-I to III NCD	18	1.85	18	2.77
<b>Total</b>		<b>451.81</b>		<b>31.11</b>
Of the above:				
Aggregate amount of quoted investments and market value thereof		2.74		2.27
Aggregate amount of unquoted investments		449.07		28.84
Aggregate amount of impairment in value of investments		-		-

### 15. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables from other parties	280.20	372.87
Trade receivables from related parties (refer note 45.2)	44.84	23.99
Less:- Loss allowance (refer note 43.5)	(4.95)	(4.14)
<b>Total</b>	<b>320.09</b>	<b>392.72</b>

#### Break-up for security details

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	0.87	1.15
Trade receivables considered good - Unsecured	319.22	391.57
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	4.95	4.14
<b>Total</b>	<b>325.04</b>	<b>396.86</b>
Loss allowance (refer note 43.5)	(4.95)	(4.14)
<b>Total</b>	<b>320.09</b>	<b>392.72</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 15. TRADE RECEIVABLES (contd.)

#### Ageing of trade receivables:

Particulars	As at March 31, 2024						
	Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed trade receivables</b>							
a) Considered good	265.81	53.58	0.01	0.63	0.05	0.01	320.09
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	0.26	2.81	1.88	4.95
<b>Total Undisputed Trade receivables</b>	<b>265.81</b>	<b>53.58</b>	<b>0.01</b>	<b>0.89</b>	<b>2.86</b>	<b>1.89</b>	<b>325.04</b>
<b>Disputed trade receivables</b>							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
<b>Total disputed Trade receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>265.81</b>	<b>53.58</b>	<b>0.01</b>	<b>0.89</b>	<b>2.86</b>	<b>1.89</b>	<b>325.04</b>

#### Ageing of trade receivables:

Particulars	As at March 31, 2023						
	Outstanding for following periods from the due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed trade receivables</b>							
a) Considered good	344.42	46.01	1.29	1.00	-	-	392.72
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	0.26	2.00	0.62	1.26	4.14
<b>Total Undisputed Trade receivables</b>	<b>344.42</b>	<b>46.01</b>	<b>1.55</b>	<b>3.00</b>	<b>0.62</b>	<b>1.26</b>	<b>396.86</b>
<b>Disputed trade receivables</b>							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
<b>Total disputed Trade receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>344.42</b>	<b>46.01</b>	<b>1.55</b>	<b>3.00</b>	<b>0.62</b>	<b>1.26</b>	<b>396.86</b>

### 16A. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.07	0.09
Balances with banks*	1.62	9.00
<b>Total</b>	<b>1.69</b>	<b>9.09</b>

\*One current account with bank balance ₹0.02 crores (March 31, 2023 ₹0.02 crores), which has not been transferred from Mafatlal Industries Limited pursuant to its scheme of demerger, is in the process of being transferred in the Company's name.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 16B. OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	4.74	4.88
Buyback account	-	0.01
<b>Total</b>	<b>4.74</b>	<b>4.89</b>

### 17. LOANS

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to related parties (refer note 45.2)	233.58	180.35
Loans to employees	0.61	-
	<b>234.19</b>	<b>180.35</b>
Less: Loss allowance	-	-
<b>Total</b>	<b>234.19</b>	<b>180.35</b>

#### Break-up of Security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	234.19	180.35
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
<b>Total</b>	<b>234.19</b>	<b>180.35</b>
Loss allowance	-	-
<b>Total</b>	<b>234.19</b>	<b>180.35</b>

### 18. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Rent Receivable	0.29	0.34
Security deposits	0.44	1.40
Derivative assets - Forward exchange contracts	0.12	0.31
Receivable from related party (refer note 45.2)	8.25	8.13
Export Incentive receivables	3.77	0.80
Other Receivable	0.08	1.54
<b>Total</b>	<b>12.95</b>	<b>12.52</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 19. OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to suppliers	5.05	6.57
Prepaid expenses	5.46	3.07
Balances with government authorities	10.62	46.19
Other advances	17.15	7.25
<b>Total</b>	<b>38.28</b>	<b>63.08</b>

### 19A. ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2024	As at March 31, 2023
Land	-	*
Building	-	1.72
<b>Total</b>	<b>-</b>	<b>1.72</b>

\*Numbers are below rounding off

### 20. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Shares</b>		
175,000,000 equity shares of ₹2.00 each	35.00	35.00
<b>Issued, subscribed and fully Paid shares</b>		
49,573,400 (as at March 31, 2023 - 49,571,170) equity shares of ₹2.00 each	9.91	9.91
Less: Calls in arrears [refer note 20 (f)]	*	*
<b>Total</b>	<b>9.91</b>	<b>9.91</b>

\* Numbers are below rounding off

#### (a) Reconciliation of the number of shares and amount outstanding:

Particulars	Number of shares	Amount
<b>Balance as at March 31, 2022</b>	<b>49,553,150</b>	<b>9.91</b>
Add: Shares issued on exercise of employee stock options during the year	18,020	*
<b>Balance as at March 31, 2023</b>	<b>49,571,170</b>	<b>9.91</b>
Add: Shares issued on exercise of employee stock options during the year	2,230	*
<b>Balance as at March 31, 2024</b>	<b>49,573,400</b>	<b>9.91</b>

\* Numbers are below rounding off

#### (b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹2.00 per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company in proportion to the number of and amounts paid on the shares held.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 20. EQUITY SHARE CAPITAL (contd.)

(c) Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 44.

#### (d) Details of shareholders holding more than 5% shares in the Company:

Particulars	No. of fully paid shares	% of Holding
<b>As at March 31, 2024</b>		
Mafatlal Impex Private Limited	13,036,149	26.30%
Life Insurance Corporation of India	4,448,258	8.97%
<b>As at March 31, 2023</b>		
Mafatlal Impex Private Limited	11,407,420	23.01%

#### (e) Details of shareholding of promoters:

##### Shareholding of promoters as on March 31, 2024

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	382,635	0.77	-
Vishad Padmanabh Mafatlal	714,349	1.44	-
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited **	-	-	-
Mafatlal Impex Private Limited **	13,036,149	26.30	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	121,275	0.24	-
<b>Total</b>	<b>14,279,724</b>	<b>28.80</b>	

\* Numbers are below rounding off

\*\* Mafatlal Exim Private Limited amalgamated with Mafatlal Impex Private Limited pursuant to the Scheme of Amalgamation. The effective date of the said acquisition is July 07, 2023 i.e. date of filing of order of Hon. NCLT, Mumbai Bench with the Registrar of Companies, Maharashtra (Mumbai).

##### Shareholding of promoters as on March 31, 2023

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	382,635	0.77	-
Vishad Padmanabh Mafatlal	714,349	1.44	(38.12)%
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 20. EQUITY SHARE CAPITAL (contd.)

Particulars	Number of shares	% of total number of shares	% of change during the year
Mafatlal Exim Private Limited	1,628,729	3.29	-
Mafatlal Impex Private Limited	11,407,420	23.01	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	121,275	0.24	-
<b>Total</b>	<b>14,279,724</b>	<b>28.80</b>	

\* Numbers are below rounding off

#### (f) Calls unpaid (by other than officers and directors)

Particulars	No. of shares	Amount
<b>As at March 31, 2024</b>		
Equity shares of ₹2.00 each, ₹1.00 called up but unpaid	8,920	*
<b>As at March 31, 2023</b>		
Equity shares of ₹2.00 each, ₹1.00 called up but unpaid	8,920	*

\* Numbers are below rounding off

(g) Out of the rights issue made in 2004-05, 109 equity shares could not be offered on rights basis due to the non-availability of details of beneficial holders from depositories. The same are kept in abeyance.

### 21. OTHER EQUITY

#### 21A RESERVES AND SURPLUS

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	27.27	27.18
General Reserve	73.33	73.33
Share Options Outstanding Account	19.09	17.62
Retained Earnings	2,021.14	1,861.91
<b>Total</b>	<b>2,140.83</b>	<b>1,980.04</b>

#### (i) Securities Premium

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	27.18	25.47
Add: Received during the year on shares issued on exercise of employee stock options during the year	0.09	1.71
<b>Closing Balance</b>	<b>27.27</b>	<b>27.18</b>

#### (ii) General Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	73.33	73.33
<b>Closing Balance</b>	<b>73.33</b>	<b>73.33</b>



## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 21. OTHER EQUITY (contd.)

#### (iii) Share Options Outstanding Account

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	17.62	1.30
Employee stock option expense (Net)	1.47	16.32
<b>Closing Balance</b>	<b>19.09</b>	<b>17.62</b>

#### (iv) Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,861.91	1,603.16
Add: Profit for the year	235.17	312.49
Less:		
Other comprehensive income for the year, net of income tax	(1.58)	0.78
Dividends (including tax)	(74.36)	(54.52)
<b>Closing Balance</b>	<b>2,021.14</b>	<b>1,861.91</b>

#### Description of Reserves

**Securities Premium** - The Securities Premium was created on issue of shares at a premium. The reserve is utilised in accordance with the provisions of the Act.

**General Reserve** - The general reserve comprises of transfer of profits from retained earnings for appropriation purpose. The reserve can be distributed/utilised by the Company in accordance with the provisions of the Act.

**Share options outstanding account** - The employee stock options outstanding represents reserve in respect of equity settled share options granted to the Group's employees in pursuance of the employee stock option plan.

**Retained earnings** - This represent the amount of accumulated earnings of the Company.

### 21B OTHER RESERVES

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve no.1	80.35	80.35
Capital Reserve no.2	70.35	70.35
Capital redemption reserve	0.34	0.34
Call in arrears / share options pending for allotment	0.01	0.01
<b>Total</b>	<b>151.05</b>	<b>151.05</b>

#### (i) Capital Reserve no.1

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	80.35	80.35
<b>Closing Balance</b>	<b>80.35</b>	<b>80.35</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 21. OTHER EQUITY (contd.)

#### (ii) Capital Reserve no.2

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	70.35	70.35
<b>Closing Balance</b>	<b>70.35</b>	<b>70.35</b>

#### (iii) Capital Redemption Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.34	0.34
<b>Closing Balance</b>	<b>0.34</b>	<b>0.34</b>

#### (iv) Call in arrears / share options pending for allotment

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.01	0.01
Less: trading approval received during the year	-	*
<b>Closing Balance</b>	<b>0.01</b>	<b>0.01</b>

\* Numbers are below rounding off

#### Description of reserves

**Capital Reserve no. 1** - Capital reserve no. 1 was created for excess of assets over liabilities and reserves taken over pursuant to the scheme of demerger of chemical business of Mafatlal Industries Limited.

**Capital Reserve no. 2** - Capital reserve no. 2 was created for compensation received pursuant to the Montreal Protocol for phasing out production of ozone depleting substances.

**Capital Redemption Reserve** - Capital redemption reserve was created out of the general reserve during the buy back of equity shares and it is a non-distributable reserves.

### 22. FINANCIAL LIABILITIES- LEASE LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	14.69	9.37
<b>Total</b>	<b>14.69</b>	<b>9.37</b>

### 23. NON-CURRENT PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences (refer note 42.3)	16.58	13.45
<b>Total</b>	<b>16.58</b>	<b>13.45</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 24. DEFERRED TAX ASSETS / DEFERRED TAX LIABILITIES - (NET)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	72.32	44.78
Less: Deferred tax assets	(32.58)	(27.27)
<b>Total (Deferred Tax Assets) / Deferred Tax Liabilities (Net)</b>	<b>39.74</b>	<b>17.51</b>

#### 24.1 MOVEMENT OF DEFERRED TAX

(i) Deferred tax assets/ liabilities in relation to the year ended March 31, 2024

Particulars	Opening Balance	Recognised in the Statement of Profit and Loss	Other movements during the year	Closing balance
<b>Deferred tax liabilities in relation to:</b>				
Property, plant and equipment and intangible assets	39.83	23.28	-	63.11
Right-of-use assets	3.11	2.62	-	5.73
Financial assets measured at FVTPL	1.24	1.80	-	3.04
Others	0.60	(0.16)	-	0.44
<b>Total deferred tax liabilities (A)</b>	<b>44.78</b>	<b>27.54</b>	<b>-</b>	<b>72.32</b>
<b>Deferred tax assets in relation to:</b>				
Indexation benefit on Investment properties	17.65	1.39	-	19.04
Fair Valuation of loan to wholly owned subsidiary	(0.01)	0.01	-	-
Provision for Compensated Absences	2.62	0.88	-	3.50
Provision for Gratuity	0.46	(0.46)	-	-
Provision for doubtful debts	0.47	0.77	-	1.24
Lease Liabilities	3.52	2.72	-	6.24
Others	2.55	-	-	2.55
<b>Total deferred tax assets (B)</b>	<b>27.27</b>	<b>5.31</b>	<b>-</b>	<b>32.58</b>
<b>Net deferred tax liabilities/(deferred tax assets) (A - B)</b>	<b>17.51</b>	<b>22.23</b>	<b>-</b>	<b>39.74</b>

(ii) Deferred tax assets/ liabilities in relation to the year ended March 31, 2023

Particulars	Opening Balance	Recognised in the Statement of Profit and Loss	Other movements during the year	Closing balance
<b>Deferred tax liabilities in relation to:</b>				
Property, plant and equipment and intangible assets	38.01	1.82	-	39.83
Right-of-use assets	3.69	(0.58)	-	3.11
Financial assets measured at FVTPL	0.71	0.53	-	1.24
Others	0.69	(0.09)	-	0.60
<b>Total deferred tax liabilities (A)</b>	<b>43.10</b>	<b>1.68</b>	<b>-</b>	<b>44.78</b>
<b>Deferred tax assets in relation to:</b>				
Indexation benefit on Investment properties	16.30	1.35	-	17.65
Fair Valuation of loan to wholly owned subsidiary	0.14	(0.15)	-	(0.01)
Provision for Compensated Absences	1.99	0.63	-	2.62
Provision for Gratuity	0.36	0.10	-	0.46
Provision for doubtful debts	0.53	(0.06)	-	0.47

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 24. DEFERRED TAX ASSETS / DEFERRED TAX LIABILITIES - (NET) (contd.)

Particulars	Opening Balance	Recognised in the Statement of Profit and Loss	Other movements during the year	Closing balance
Lease Liabilities	4.04	(0.52)	-	3.52
Capital losses	0.16	(0.16)	-	-
Others	2.88	(0.33)	-	2.55
<b>Total deferred tax assets (B)</b>	<b>26.41</b>	<b>0.86</b>	<b>-</b>	<b>27.27</b>
<b>Net deferred tax liabilities/(deferred tax assets) (A - B)</b>	<b>16.69</b>	<b>0.82</b>	<b>-</b>	<b>17.51</b>

### 25. OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Liability against project contracts (Refer note 49)	13.35	13.35
Deferred Government Grant	0.10	0.12
<b>Total</b>	<b>13.45</b>	<b>13.47</b>

### 26. BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash Credit ( Refer note a)	39.65	-
<b>Total</b>	<b>39.65</b>	<b>-</b>

#### a. Cash Credit

The Cash credit carry interest rate of 9.20% - 9.40% (Previous year: Nil). Interest rate is derived from MCLR plus margin and is repayable on demand.

The loan is secured by way of:

- First pari passu charge on current assets of the Company both present and future.
- Second pari passu charge on fixed assets of the Company both present and future, excluding land.

### 27. LEASE LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	10.10	4.62
<b>Total</b>	<b>10.10</b>	<b>4.62</b>

The total expenses related to short term lease (included in other expenses) was ₹0.11 crores (March 31, 2023 : ₹0.52 crores)

### 27A. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	18.84	27.37
Total outstanding dues other than above	211.74	89.08
Trade payables - Related parties (Refer note 45.2)	3.14	0.04
<b>Total</b>	<b>233.72</b>	<b>116.49</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 27A. TRADE PAYABLES (contd.)

The Company participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables / other financial liabilities enabling suppliers to take early payment by selling their receivables from the Company.

The Company has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Company therefore discloses such amounts within trade payables / other financial liabilities because the nature and function of the financial liability remains same.

#### Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

Particulars	As at March 31, 2024	As at March 31, 2023
a. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	18.79	27.32
b. Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.05	0.05
c. Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.30	0.94
d. Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e. Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
g. Interest accrued and remaining unpaid at the end of the accounting year	0.05	0.05
h. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	0.05	0.05

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

#### Ageing of Trade Payables:

Particulars	March 31, 2024						
	Outstanding for following periods from the due date						
	Unbilled	Not Due	Less than 1 Year	1 - 2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payables</b>							
a) Micro enterprises and small enterprises	-	1.20	17.64	-	-	-	18.84
b) Others	16.43	14.78	179.63	3.65	0.08	0.31	214.88
<b>Total Undisputed Trade Payables</b>	<b>16.43</b>	<b>15.98</b>	<b>197.27</b>	<b>3.65</b>	<b>0.08</b>	<b>0.31</b>	<b>233.72</b>
<b>Disputed Trade Payables</b>							
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
<b>Total disputed Trade Payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Payables</b>	<b>16.43</b>	<b>15.98</b>	<b>197.27</b>	<b>3.65</b>	<b>0.08</b>	<b>0.31</b>	<b>233.72</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### Ageing of Trade Payables:

Particulars	As at March 31, 2023						
	Outstanding for following periods from the due date						
	Unbilled	Not Due	Less than 1 Year	1 - 2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payables</b>							
a) Micro enterprises and small enterprises	-	14.62	12.75	-	-	-	27.37
b) Others	12.59	73.25	2.57	0.12	0.24	0.35	89.12
<b>Total Undisputed Trade Payables</b>	<b>12.59</b>	<b>87.87</b>	<b>15.32</b>	<b>0.12</b>	<b>0.24</b>	<b>0.35</b>	<b>116.49</b>
<b>Disputed trade Payables</b>							
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
<b>Total disputed Trade Payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Payables</b>	<b>12.59</b>	<b>87.87</b>	<b>15.32</b>	<b>0.12</b>	<b>0.24</b>	<b>0.35</b>	<b>116.49</b>

### 27B. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividends*	4.74	4.88
Unpaid money on buy-back of shares	-	0.01
Derivative liability - Forward exchange contract	0.31	0.40
Capital Creditors	14.10	18.87
Security Deposits received	8.85	9.44
<b>Total</b>	<b>28.00</b>	<b>33.60</b>

\* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

### 27C. CONTRACT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers	3.39	5.38
<b>Total</b>	<b>3.39</b>	<b>5.38</b>

### 28. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences (refer note 42.3)	4.90	4.55
Gratuity Payable (refer note 42.2)	5.16	1.81
<b>Total</b>	<b>10.06</b>	<b>6.36</b>

### 29. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	6.80	6.21
Deferred Government Grant	0.02	0.02
Payables to Employees	15.18	27.55
<b>Total</b>	<b>22.00</b>	<b>33.78</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 30. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products	1,389.25	1,595.92
Sale of services	23.58	27.65
Other operating revenues		
- Scrap Sales	5.09	3.70
- Export Incentives	2.91	0.87
<b>Total</b>	<b>1,420.83</b>	<b>1,628.14</b>

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the period	5.38	1.25

### 31. OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
- on banks deposits	0.46	0.58
- on inter corporate deposits	13.39	8.49
- on income tax refund	17.91	0.91
- on loans and advances	2.52	2.71
<b>Dividend income</b>		
- on investments in Shares	0.03	0.03
Lease rental income on investment properties (refer note 6)	8.13	9.41
<b>Other gains and losses</b>		
- Gain on disposal of property, plant and equipment	-	2.00
- Net gain arising on financial assets mandatorily measured at FVTPL	10.82	0.96
- Excess provision/ liabilities written back (Net)	0.01	0.50
- Net gain arising on sale of Investment in Equity instruments	0.95	-
- Net gain arising on sale of Investment in Mutual funds	3.93	8.91
- Net gain on foreign currency transactions	1.15	0.95
- Miscellaneous Income	8.07	5.55
<b>Total</b>	<b>67.37</b>	<b>41.00</b>

### 32. COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material consumed	618.81	692.42
Packing material consumed	31.76	29.11
<b>Total</b>	<b>650.57</b>	<b>721.53</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 33. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished goods	39.40	47.32
Work-in-progress	31.74	40.51
	<b>71.14</b>	<b>87.83</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	47.32	43.03
Work-in-progress	40.51	38.53
	<b>87.83</b>	<b>81.56</b>
<b>Total changes in inventories of finished goods and work-in-progress</b>	<b>16.69</b>	<b>(6.27)</b>

### 34. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and bonus	183.09	167.45
Contribution to provident and other funds (refer note 42.1)	10.19	8.07
Employee share-based payment expense (refer note 44)	1.47	16.79
Staff Welfare Expenses	11.20	7.42
Gratuity expenses (refer note 42.2)	3.55	3.25
<b>Total</b>	<b>209.50</b>	<b>202.98</b>

### 35. FINANCE COSTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Lease liabilities	1.85	1.09
Interest on Others	3.11	0.96
<b>Total</b>	<b>4.96</b>	<b>2.05</b>

### 36. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 5A)	49.67	37.19
Depreciation on Right-of-use assets (refer note 5B)	6.79	4.43
Depreciation on investment properties (refer note 6)	0.85	0.85
Amortisation of intangible assets (refer note 7)	0.27	0.13
<b>Total</b>	<b>57.58</b>	<b>42.60</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 37. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	87.23	86.18
Rent expense (refer note 41)	0.11	0.52
Repairs and Maintenance		
- Plant and Machinery	11.67	12.05
- Buildings	1.49	1.43
Consumption of stores and spares	43.34	43.55
Transport and freight charges (Net)	33.40	35.14
Labor contract charges	18.16	17.40
Legal and Professional Charges (refer note 37.1)	45.31	32.23
Rates & Taxes	5.99	4.69
Insurance	6.15	5.40
Directors Sitting Fees	0.56	0.48
Loss on Sale/ retirement of property, plant & equipment (Net)	0.43	0.03
Provision for doubtful debts (Net)	0.81	2.03
Expenditure on Corporate Social Responsibility (refer note 37.2)	7.45	6.15
Miscellaneous expenses	46.46	40.73
<b>Total</b>	<b>308.56</b>	<b>288.01</b>

#### 37.1 Payments to auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors		
a) Statutory audit	0.40	0.34
b) Other audit services	0.22	0.24
c) Re-imbursment of expenses	0.01	0.01
<b>Total</b>	<b>0.63</b>	<b>0.59</b>

#### 37.2 Corporate social responsibility

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	In cash	Yet to be paid in cash		
a) Gross amount required to be spent by the company during the year	7.31	6.14		
b) Amount spent during the year on:	7.45	6.15		
<b>For the year March 31, 2024</b>				
i) Construction / acquisition of any asset	-	-		
ii) On purposes other than (i) above	7.45	-		
<b>For the year March 31, 2023</b>				
i) Construction / acquisition of any asset	-	-		
ii) On purposes other than (i) above	6.15	-		

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 38. INCOME TAXES

#### Income tax expenses recognised

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
In respect of the current year		
- Current tax recognised in Statement of Profit and Loss	60.72	104.93
- Excess provision of tax for earlier years	(25.65)	-
- Deferred tax	22.23	0.82
	<b>57.30</b>	<b>105.75</b>
In respect of the current year		
- Current tax recognised in other comprehensive income	(0.53)	0.26
	<b>(0.53)</b>	<b>0.26</b>
<b>Total income tax expense recognised in the current year</b>	<b>56.77</b>	<b>106.01</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Profit before tax</b>	<b>292.47</b>	<b>418.24</b>
Income tax expense calculated at 25.168%	73.61	105.26
<b>Effect of:</b>		
Income exempt from tax	-	(0.12)
Adjustments for current tax of prior period	(25.65)	-
Expenses that are not deductible in determining taxable profit	2.60	1.48
Tax concessions availed	(0.33)	(2.49)
Deductible temporary differences on account of indexation benefits	1.91	1.41
Tax on income at rates different from statutory income tax rate	(4.21)	-
Adjustments pertaining to prior years	12.49	-
Others	(3.12)	0.21
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>57.30</b>	<b>105.75</b>

### 39. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. Chairman and Managing Director of the Company are the chief operating decision makers. The Company operates only in one Business Segment i.e. 'Chemical Business' which constitutes a single reporting segment.

Particulars	As at and for the year ended			As at and for the year ended		
	March 31, 2024			March 31, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenues *	772.92	647.91	1,420.83	753.01	875.13	1,628.14
Carrying cost of non current assets @	733.37	1.63	735.00	655.94	1.63	657.57
Cost incurred on acquisition of property, plant and equipment	138.72	-	138.72	209.50	-	209.50

\* Timing of revenue recognition is at a point in time.

@ Excluding financial assets.

Revenue from customers of the Company which is individually more than 10 percent of the Company's total revenue:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Customer A	143.49	109.49

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 40. EARNING PER SHARE

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to equity shareholders - (₹ in crores) - A	235.17	312.49
Weighted average number of equity shares outstanding during the year - B	49,572,078	49,558,378
<b>Effect of Dilution :</b>		
Weighted average number of ESOP shares outstanding	70,239	173,700
Weighted average number of Equity shares adjusted for the effect of dilution - C	49,642,317	49,732,078
Basic earnings per share - ₹ (A / B)	47.44	63.05
Diluted earnings per share - ₹ (A / C)	47.37	62.83
Nominal value per share - ₹	2.00	2.00

### 41. LEASING ARRANGEMENT

The Company has taken office, residential premises and vehicles under operating lease or leave and license agreements. These are generally cancellable in nature and range between 11 months to 60 months. These leave and license agreements are generally renewable or cancellable at the option of the Company or the lessor. The lease payment recognised in the Statement of Profit and Loss is ₹0.11 crores (March 31, 2023: ₹0.52 crores). Refer note 5B for further information.

### 42. EMPLOYEE BENEFIT PLANS

#### 42.1 Defined Contribution Plan

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	5.81	4.83
Contribution to Family Pension Fund	1.51	1.45
Contribution to Superannuation Fund	1.73	1.69
Contribution to National Pension Scheme	1.04	-
Contribution to Employees' State Insurance Scheme	0.01	0.01
Contribution to Employees' Deposits Linked Insurance Scheme	0.09	0.09
<b>Total</b>	<b>10.19</b>	<b>8.07</b>

#### 42.2 Defined Benefit Plans

##### (i) Gratuity (Funded)

The Company sponsors funded defined benefit gratuity plan for all eligible employees of the Company. The Company's defined benefit gratuity plan requires contributions to be made to a separately administered trust. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Company makes provision for gratuity fund based on an actuarial valuation carried out at the end of the year using 'projected unit credit' method.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 42.2 Defined Benefits Plans (contd.)

#### (a) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plan (gratuity) is as follows:

##### Balances of defined benefit plan

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(36.70)	(32.03)
Fair value of plan assets	31.54	30.22
Net liability arising from gratuity	(5.16)	(1.81)

#### (b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in Statement of Profit and Loss, other comprehensive income, movement in defined benefit liability (i.e. gratuity) and movement in plan assets:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Components of expense recognised in the Statement of Profit and Loss</b>		
Current service cost	3.42	3.15
Net interest expenses	0.13	0.10
<b>Total (A)</b>	<b>3.55</b>	<b>3.25</b>
<b>B. Components of defined benefit costs recognised in other Comprehensive Income</b>		
Remeasurement on the net defined benefit liability:		
- Return on plan assets (excluding amounts included in net interest expense)	(0.30)	(0.32)
- Actuarial gains and losses arising from changes in demographic assumptions	-	(1.53)
- Actuarial gains and losses arising from changes in financial assumptions	0.20	(0.60)
- Actuarial gains and losses arising from experience adjustments	2.21	1.41
<b>Total (B)</b>	<b>2.11</b>	<b>(1.04)</b>
<b>C. Movements in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	32.03	29.67
Current service cost	3.42	3.15
Interest cost	2.30	2.01
Liabilities for employee transferred to other entity	-	-
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	-	(1.53)
- Actuarial gains and losses arising from changes in financial assumptions	0.20	(0.60)
- Actuarial gains and losses arising from experience adjustments	2.21	1.41
Benefits paid	(3.46)	(2.08)
<b>Closing defined benefit obligation (C)</b>	<b>36.70</b>	<b>32.03</b>
<b>D. Movements in the fair value of the plan assets</b>		
Opening fair value of plan assets	30.22	28.24
Interest income	2.17	1.91
Remeasurement gain/(loss):		
- Return on plan assets (excluding interest income)	0.30	0.32
Contributions by employer	2.31	1.83
Benefits paid	(3.46)	(2.08)
<b>Closing fair value of plan assets (D)</b>	<b>31.54</b>	<b>30.22</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 42.2 Defined Benefits Plans (contd.)

#### (c) Principal assumptions

The principal assumptions used for the purposes of the actuarial valuations of gratuity liability were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
1. Discount rate	7.17%	7.30%
2. Salary escalation	10%	10%
3. Mortality rate	Indian Assured Lives Mortality 2012 - 14 (Urban)	Indian Assured Lives Mortality 2012 - 14 (Urban)
4. Attrition rate	15%	15%

#### (d) The expected contribution to the plan for the next financial year is ₹4.81 crores (Previous Year: ₹4.58 crores)

#### (e) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Central Government of India	38.76%	39.71%
State Government Securities	0.00%	0.00%
Special Deposits Scheme	8.03%	9.14%
Debt Instruments/Corporate Bonds/Mutual Funds	53.21%	51.15%

#### (f) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase and attrition rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. Following is the impact of changes in assumption in defined benefit obligation of gratuity:

Increase/ (decrease) in assumptions	As at March 31, 2024	As at March 31, 2023
Impact of discount rate for 50 basis points increase	(0.74)	(0.62)
Impact of discount rate for 50 basis points decrease	0.78	0.65
Impact of salary escalation rate for 50 basis points increase	0.75	0.63
Impact of salary escalation rate for 50 basis points decrease	(0.72)	(0.61)
Impact of attrition rate for 50 basis points increase	(0.18)	(0.14)
Impact of attrition rate for 50 basis points decrease	0.18	0.15

## Notes Forming Part of the Standalone Financial Statements

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Amount ₹ in crores unless otherwise stated

### 42.2 Defined Benefits Plans (contd.)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

- (g) The weighted average duration of the defined benefit obligation is 5 years (Previous year: 6 years). The expected maturity analysis of gratuity is as follows:

Particulars	Within 1 year	1-5 years	Above 5 years
As at March 31, 2024	7.61	19.16	26.31
As at March 31, 2023	7.23	15.19	23.63

#### (ii) Provident fund (funded)

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund for all employees, are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Company. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

#### (a) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plan (trust managed provident fund) is as follows:

Balances of defined benefit plan

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(67.14)	(54.33)
Fair value of plan assets	68.01	55.76
Net Assets/(Liabilities)*	-	-

\* Excess of fair value of plan assets over present value of funded defined benefit obligation has not been recognised.

#### (b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in Statement of Profit and Loss, movement in defined benefit liability (i.e. provident fund) and movement in plan assets:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Components of expense recognised in the Statement of Profit and Loss</b>		
Current service cost	4.15	3.56
Interest income	(4.65)	(3.71)
Net interest expenses	4.65	3.71
<b>Total (A)</b>	<b>4.15</b>	<b>3.56</b>
<b>B. Movements in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	54.33	45.41
Opening balance adjustment	0.03	0.84
Current service cost	4.15	3.56

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 42.2 Defined Benefits Plans (contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest cost	4.65	3.71
Employee Contribution	6.27	5.58
Liabilities assumed for employee transferred from other entity	3.18	0.31
Benefits paid	(5.47)	(3.72)
Balance not recognized in Income Statement	-	(1.36)
<b>Closing defined benefit obligation (B)</b>	<b>67.14</b>	<b>54.33</b>
<b>C. Movements in the fair value of the plan assets</b>		
Opening fair value of plan assets	55.76	45.41
Remeasurement loss	(0.54)	0.91
Interest income	4.65	3.71
Contributions	10.42	9.14
Asset transferred in for employee transferred from other entity	3.18	0.31
Benefits paid	(5.46)	(3.72)
<b>Closing fair value of plan assets (C)</b>	<b>68.01</b>	<b>55.76</b>

### (c) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Central Government of India	13.20%	14.07%
State Government Securities	33.33%	32.62%
Special Deposits Scheme	16.42%	19.36%
Public Sector Units	31.08%	28.14%
Others	5.97%	5.80%

### (iii) Risk exposure to defined benefit plans

The plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

**Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

**Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 42.3 Other Long term Employee Benefits:

The liability for Compensated absences as determined by Independent actuary as at the balance sheet date is ₹21.48 crores (March 31, 2023: ₹18.00 crores).

## 43. FINANCIAL INSTRUMENTS AND RISK REVIEW

### 43.1 Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may return to shareholders the capital or issue new shares or take such appropriate action as may be needed. The Company considers total equity reported in the financial statements to be managed as part of capital.

### 43.2 Fair value measurements

#### (i) Categories of financial instruments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
<b>Measured at Amortised Cost</b>		
– Cash and Bank Balances	6.43	13.98
– Investments	1.85	2.77
– Trade receivables	320.09	392.72
– Loans	234.44	180.67
– Other financial assets	30.81	30.22
<b>Measured at fair value through profit and loss (FVTPL)</b>		
– Equity instruments	6.10	5.92
– Investments in mutual funds / Other funds	451.91	33.31
– Derivative assets	0.12	0.31
<b>Financial liabilities</b>		
<b>Measured at Amortised Cost</b>		
– Borrowing	39.65	-
– Trade payable	233.72	116.49
– Other financial liabilities	27.69	33.20
<b>Measured at fair value through profit and loss (FVTPL)</b>		
– Derivative liability	0.31	0.40



## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 43.2 Fair value measurements (contd.)

#### (ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2024</b>				
<b>Financial assets</b>				
- Investments in equity instruments	2.74	-	3.36	6.10
- Investments in mutual funds / Other funds	447.22	-	4.69	451.91
- Derivative assets	-	0.12	-	0.12
<b>Financial liabilities</b>				
- Derivative liability	-	0.31	-	0.31

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>				
- Investments in equity instruments	2.27	-	3.65	5.92
- Investments in mutual funds / Other funds	26.07	-	7.24	33.31
- Derivative assets	-	0.31	-	0.31
<b>Financial liabilities</b>				
- Derivative liability	-	0.40	-	0.40

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3.

#### (iii) Valuation technique used to determine fair value

1. The fair value of the quoted investments is determined using quoted bid prices in an active market.
2. The fair value of the unquoted investments is determined using the inputs other than quoted prices included in level 1 that are observable for assets and liabilities.

## Notes Forming Part of the Standalone Financial Statements

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Amount ₹ in crores unless otherwise stated

### 43.2 Fair value measurements (contd.)

3. Company has made investments in 'Ask Real Estate Special Situation Fund'. The Fund invests primarily in special purpose vehicles and holding companies of special purpose vehicles that undertake residential and mixed use real estate developments with a significant residential component. The Valuation methodology used shall depend on the type of property and market conditions and stage of development reached in the invested project. The suitability of a particular method of valuation is decided based on the below criteria:

- For undeveloped properties: Sales/Market Comparison Method benchmarked by Discounted Cash Flow Method
- For semi developed properties / properties under development: Weighted average of Discounted Cash Flow Method and Replacement Cost Method
- For completed properties, leased property or ready for sale properties: Capitalization of Rental Method or Market Comparison Method

#### (iv) Fair value of Financial assets and liabilities measured at amortised cost

The carrying amounts of cash and cash equivalents, trade receivables, receivables from related parties, trade payables and other financial liabilities are considered to be the same as their fair values due to their short-term nature. Fair value of security deposits approximates the carrying value.

### 43.3 Financial risk management objectives

The Company's activities exposes it to a variety of financial risks including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of financial risks on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

### 43.4 Market Risks

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and other price risk. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

#### a. Foreign exchange risk

##### (i) Exposure to foreign exchange risk:

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency of the entity in the Company. The risk also includes highly probable foreign currency cash flows. The Company has exposure arising out of export, import and other transactions other than functional risks. The Company hedges its foreign exchange risk using foreign exchange forward contracts. The same is within the guidelines laid down by Risk Management Policy of the Company.

## Notes Forming Part of the Standalone Financial Statements

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Amount ₹ in crores unless otherwise stated

### 43.4 Market Risks (contd.)

#### (ii) Foreign exchange risk management:

To manage the foreign exchange risk arising from recognized assets and liabilities, Company use spot transactions, foreign exchange forward contracts, according to the Company's foreign exchange risk policy. Company's treasury is responsible for managing the net position in each foreign currency and for putting in place the appropriate hedging actions. The Company's foreign exchange risk management policy is to selectively hedge net transaction exposures in major foreign currencies.

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	(₹ in crores)	(Foreign Currency In crores)	(₹ in crores)	(Foreign Currency In crores)
<b>Amount receivable</b>				
USD	73.20	0.88	2.39	0.03
GBP	-	-	0.07	*
EURO	1.65	0.02	-	-
<b>Amount payable</b>				
USD	4.56	0.05	0.60	0.01
GBP	0.29	*	-	-

\* Numbers are below rounding off

#### iii) Foreign exchange risk sensitivity:

3% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 3% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analysis of change in profit where the Indian Rupee strengthens and weakens by 3% against the relevant currency:

Particulars	For year ended March 31, 2024		For year ended March 31, 2023	
	3% strengthen	3% weakening	3% strengthen	3% weakening
USD	2.06	(2.06)	0.05	(0.05)
GBP	(0.01)	0.01	*	*
EURO	0.05	(0.05)	-	-

\* Numbers are below rounding off

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

## Notes Forming Part of the Standalone Financial Statements

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Amount ₹ in crores unless otherwise stated

### 43.4 Market Risks (contd.)

#### (iv) Forward foreign exchange contracts

The following table contain the details of forward foreign currency contracts outstanding at the end of the reporting period:

Currency	Exposure to buy / sell	As at the year end	
		₹ in crores	Foreign Currency in crores
<b>US Dollars</b>			
March 31, 2024	sell	54.39	0.65
March 31, 2023	sell	239.47	2.91
<b>EURO</b>			
March 31, 2024	sell	8.99	0.10
March 31, 2023	sell	1.81	0.02
<b>GBP</b>			
March 31, 2024	sell	-	-
March 31, 2023	sell	0.28	*
<b>US Dollars</b>			
March 31, 2024	buy	101.63	1.22
March 31, 2023	buy	23.92	0.29

\* Numbers are below rounding off

#### b. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The Company monitors fluctuations in interest rate continuously to minimise impact of interest rate risk.

Exposure to interest rate risk related to borrowings with floating rate of interest.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings bearing floating rate of interest	39.65	-

Interest rate sensitivity:

A change of 50 bps in interest rates would have following Impact on profit before tax:

Particulars	As at March 31, 2024	As at March 31, 2023
50 bps increase - decrease in profits *	0.20	-
50 bps decrease - increase in profits *	(0.20)	-

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

#### c. Other price risks

The Company is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. In order to manage its price risk arising from investments in equity instruments, the Company maintains its portfolio in accordance with the framework set by the Investment policy. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Management Committee.

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Amount ₹ in crores unless otherwise stated

### 43.4 Market Risks (contd.)

#### Price Risk Sensitivity Analysis:

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Company has calculated the impact as follows:

For equity instruments, a 10% increase in equity prices would have led to approximately an additional ₹0.27 crores gain in Statement of Profit and Loss (March 31, 2023: ₹0.23 crores). A 10% decrease in equity prices would have led to an equal but opposite effect.

### 43.5 Credit risk

#### (i) Exposures to credit risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. The credit risk arises from its operating activities (i.e. primarily trade receivables), from its investing activities including deposits with banks and financial institutions and other financial instruments.

#### (ii) Credit risk management

##### (a) Trade receivable

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹320.09 crores (March 31, 2023: ₹392.72 crores).

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the Company customers' financial condition; ageing of trade accounts receivable and the Company's historical loss experience.

Trade receivables are written off when there is no reasonable expectation of recovery. The allowance for lifetime expected credit loss on customer balances as at March 31, 2024 was ₹4.95 crores (March 31, 2023 ₹4.14 crores).

Loss allowance as at March 31, 2024 was determined as follows for trade receivables under the simplified approach

As at March 31, 2024	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	265.81	42.22	4.72	0.16	6.48	0.01	5.64	325.04
Expected loss rate	-	-	-	-	-	-	(88)%	(2)%
Expected credit losses– trade receivables	-	-	-	-	-	-	(4.95)	(4.95)
Carrying amount of trade receivables (net of impairment)	<b>265.81</b>	<b>42.22</b>	<b>4.72</b>	<b>0.16</b>	<b>6.48</b>	<b>0.01</b>	<b>0.69</b>	<b>320.09</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 43.5 Credit risk (contd.)

Loss allowance as at March 31, 2023 was determined as follows for trade receivables under the simplified approach

As at March 31, 2023	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	344.42	23.27	7.86	2.56	12.32	1.55	4.88	396.86
Expected loss rate	-	-	-	-	-	(17)%	(79)%	(1)%
Expected credit losses– trade receivables	-	-	-	-	-	(0.26)	(3.88)	(4.14)
Carrying amount of trade receivables (net of impairment)	<b>344.42</b>	<b>23.27</b>	<b>7.86</b>	<b>2.56</b>	<b>12.32</b>	<b>1.29</b>	<b>1.00</b>	<b>392.72</b>

#### Movement in the credit loss allowance

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning	4.14	2.11
Movement in expected credit loss allowance on trade receivable calculated at lifetime expected credit losses	0.81	2.03
<b>Balance at the end</b>	<b>4.95</b>	<b>4.14</b>

#### (b) Cash and Cash Equivalent

Credit risk on cash and cash equivalents is limited as Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

#### (c) Investment in Mutual Funds

Credit risk on investments in mutual fund is limited as Company invested in mutual funds issued by the financial institutions with high credit ratings assigned by credit rating agencies.

### 43.6 Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

#### (i) Liquidity risk tables

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

#### (ii) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 43.6 Liquidity risk (contd.)

Contractual maturities of financial liabilities	Carrying amount	Less than 1 year	more than 1 year	Total
<b>As at March 31, 2024</b>				
– Borrowings	-	39.65	-	39.65
– Trade payable	233.72	233.72	-	233.72
– Lease liabilities	24.79	9.37	19.01	28.38
– Other financial liabilities (other than derivative liabilities)	27.69	27.69	-	27.69
– Derivative liabilities	0.31	0.31	-	0.31
– Corporate financial guarantees	1,815.73	365.73	1,450.00	1,815.73
<b>As at March 31, 2023</b>				
– Borrowings	-	-	-	-
– Trade payable	116.49	116.49	-	116.49
– Lease liabilities	15.66	5.19	10.47	15.66
– Other financial liabilities (other than derivative liabilities)	33.20	33.20	-	33.20
– Derivative liabilities	0.40	0.40	-	0.40
– Corporate financial guarantees	1,342.57	242.57	1,100.00	1,342.57

## 44. SHARE BASED PAYMENTS

### Details of the employee share based plan of the Company

**Employee stock option scheme 2007 (“ESOS 2007”)** - The Shareholders of the Company at their Annual General Meeting held on July 20, 2007 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2007, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2007 shall be capable of being exercisable on vesting within 10 years from grant date.

**Employee stock option scheme 2017 (“ESOS 2017”)** - The Shareholders of the Company at their Annual General Meeting held on June 29, 2017 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company and its subsidiary companies to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2017, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2017 shall be capable of being exercisable on vesting within 10 years from grant date.

## Notes Forming Part of the Standalone Financial Statements

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Amount ₹ in crores unless otherwise stated

### 44. SHARE BASED PAYMENTS (contd.)

(i) The following share-based payment arrangements were in existence during the current and prior years under the scheme:

Scheme	Grant date	Number of Stock Options Granted	Vesting period	Exercise Price (₹)
ESOS 2007	July 28, 2007	111,000*	4 Years	74.84
	July 28, 2007	40,000*	4 Years	81.49
	April 28, 2014	433,500*	2 Years	78.00
	June 29, 2015	150,115*	2 Years	194.80
ESOS 2017	October 24, 2016	56,075*	2 Years	554.40
	March 19, 2018	58,830	2 Years	780.00
	May 09, 2018	725	2 Years	770.35
	January 07, 2019	14,315	2 Years	698.45
	October 19, 2022	155,000	In 4 equal tranches on October 31, 2023, April 01, 2024, April 01, 2025 and April 01, 2026	2.00
	February 05, 2024	187,500	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,326.00
February 06, 2024	40,000	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,236.00	

\*Adjusted to corporate actions of sub-division of shares in the ratio of 5 Equity Shares of ₹2.00 each for every 1 Equity Share of ₹10.00 each.

(ii) The following reconciles the Stock Options outstanding at the beginning and end of the period:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of stock option	Weighted average exercise price (₹)	Number of stock option	Weighted average exercise price (₹)
<b>Balance at beginning of year</b>				
ESOS 2007	3,415	410.67	10,245	353.65
ESOS 2017	166,350	55.08	29,710	740.72
<b>Granted during the year</b>				
ESOS 2007	-	-	-	-
ESOS 2017	227,500	3,310.18	155,000	2.00
<b>Exercised during the year</b>				
ESOS 2007	1,590	245.69	1,125	274.71
ESOS 2017	640	780.00	16,895	710.90
<b>Expired during the year</b>				
ESOS 2007	-	-	5,705	335.05
ESOS 2017	105,000	2.00	1,465	780.00
<b>Balance at the end year</b>				
ESOS 2007	1,825	554.40	3,415	410.67
ESOS 2017	288,210	2,642.24	166,350	55.08

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 ₹3,744.00 (March 31, 2023 : ₹4,145.00).

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 44. SHARE BASED PAYMENTS (contd.)

(iii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price (₹)	Share options March 31, 2024	Share options March 31, 2023
July 28, 2007	July 27, 2017	81.49	-	-
April 28, 2014	April 27, 2024	78.00	-	-
June 29, 2015	June 28, 2025	194.80	-	1,365
October 24, 2016	October 23, 2026	554.40	1,825	2,050
March 19, 2018	March 18, 2028	780.00	10,710	11,350
May 09, 2018	May 08, 2028	770.35	-	-
January 07, 2019	January 06, 2029	698.45	-	-
October 19, 2022	October 18, 2032	2.00	50,000	155,000
February 05, 2024	February 04, 2034	3,326.00	187,500	-
February 06, 2024	February 05, 2034	3,236.00	40,000	-

(iv) The weighted average fair value of the options granted during the year on February 05, 2024 and February 06, 2024 is ₹1,168.58 and ₹1,152.29 respectively, (March 31, 2023: ₹4,091.85). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included:

Grant Date	February 05, 2024		February 06, 2024	
	Vest 1	Vest 2	Vest 1	Vest 2
<b>Vesting date</b>	<b>February 28, 2025</b>	<b>February 28, 2026</b>	<b>February 28, 2025</b>	<b>February 28, 2026</b>
Volatility	35.02%	36.53%	35.02%	36.53%
Risk-Free rate of return	6.96%	6.97%	6.93%	6.95%
Exercise Price	3,326.00	3,326.00	3,236.00	3,236.00
Expected Life (Time to Maturity)	3.50	4.00	3.50	4.00
Dividend yield	0.33%	0.33%	0.33%	0.33%

The model inputs for options granted during the year ended March 31, 2023 included:

Grant Date	October 19, 2022			
	Vest 1	Vest 2	Vest 1	Vest 2
<b>Vesting date</b>	<b>October 31, 2023</b>	<b>April 01, 2024</b>	<b>April 01, 2025</b>	<b>April 01, 2026</b>
Volatility	38.07%	38.07%	37.88%	39.95%
Risk-Free rate of return	7.33%	7.33%	7.36%	7.37%
Exercise Price	2.00	2.00	2.00	2.00
Expected Life (Time to Maturity)	5.50	5.50	6.00	6.50
Dividend yield	0.79%	0.79%	0.79%	0.79%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Expenses arising from employee share based payment transaction recognised in the Statement of Profit and Loss as part of employee benefit expense for the year ended March 31, 2024 is ₹1.47 crores (March 31, 2023: ₹16.79 crores). Also refer note 34.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 45. RELATED PARTY TRANSACTIONS

Following are the name and relationship of related parties with whom Company have transactions/ balances:

#### a. Enterprises over which key management personnel and their relatives are able to exercise significant influence / control

Arvind Mafatlal Foundation Trust  
Shri Sadguru Seva Sangh Trust  
M/s Vigil Juris

#### b. Entities over which Company has control

##### (i) Subsidiaries:

Sulakshana Securities Limited, India  
Manchester Organics Limited, United Kingdom  
Navin Fluorine (Shanghai) Co. Limited, China  
NFIL (UK) Limited, United Kingdom  
Navin Fluorine Advanced Sciences Limited, India

##### (ii) Step-down Subsidiaries:

NFIL USA, Inc., United States of America

#### d. Key Management personnel

Mr. Vishad P. Mafatlal - Chairman  
Mr. Radhesh R. Welling - Managing Director (upto December 15, 2023)  
Mr. Mohan M. Nambiar - Non-Independent Non-Executive Director  
Mr. Pradip N. Kapadia - Independent Non-Executive Director  
Mr. Sunil S. Lalbhai - Independent Non-Executive Director  
Mr. Sudhir G. Mankad - Independent Non-Executive Director  
Mr. Harish H. Engineer - Independent Non-Executive Director  
Mr. Atul K. Srivastava - Independent Non-Executive Director  
Mrs. Radhika V. Haribhakti - Independent Non- Executive Director  
Mr. Ashok U. Sinha - Independent Non- Executive Director  
Mr. Sujal A. Shah - Independent Non- Executive Director  
Mrs. Apurva S. Purohit - Independent Non- Executive Director  
Mr. Sudhir R. Deo - Non-Independent Non- Executive Director (w.e.f. September 28, 2023)

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 45. RELATED PARTY TRANSACTIONS (contd.)

#### 45.1 Disclosures in respect of significant transactions with related parties during the year:

Transactions	For Year ended March 31, 2024	For Year ended March 31, 2023
<b>Sales</b>		
Navin Fluorine Advanced Sciences Limited	149.72	119.71
Manchester Organics Limited	-	0.25
<b>Rental income</b>		
Navin Fluorine Advanced Sciences Limited	0.08	0.08
<b>Interest Income and Guarantee Commission</b>		
Sulakshana Securities Limited	0.03	0.61
Manchester Organics Limited	0.08	0.07
Navin Fluorine Advanced Sciences Limited	7.72	3.87
<b>Purchases</b>		
Manchester Organics Limited	0.17	0.07
Navin Fluorine Advanced Sciences Limited	4.06	0.04
<b>Rent paid, including lease rentals</b>		
Sulakshana Securities Limited	1.18	1.18
<b>Reimbursement of expenses paid</b>		
Manchester Organics Limited	19.61	7.44
NFIL USA, Inc.	10.19	9.78
Navin Fluorine (Shanghai) Co. Ltd.	1.35	1.32
<b>Legal / Professional fees paid</b>		
M/s Vigil Juris	0.02	0.33
<b>Advance given to</b>		
Manchester Organics Limited	9.27	-
<b>Reimbursement of expenses</b>		
Sulakshana Securities Limited	1.14	2.17
Navin Fluorine Advanced Sciences Limited	19.21	7.54
<b>Purchase of Investment in equity shares</b>		
Navin Fluorine Advanced Sciences Limited	-	190.48
<b>Inter corporate deposit given</b>		
Navin Fluorine Advanced Sciences Ltd.	54.00	328.00
<b>Interest on ICD</b>		
Navin Fluorine Advanced Sciences Ltd.	13.39	8.49
<b>Repayment of ICD</b>		
Navin Fluorine Advanced Sciences Ltd.	-	445.00
<b>Repayment of interest on ICD</b>		
Navin Fluorine Advanced Sciences Ltd.	12.43	7.56
<b>Repayment of loans and advances</b>		
Sulakshana Securities Limited	1.69	5.80
<b>Donation and CSR</b>		
Shri Sadguru Seva Sangh Trust	2.00	2.00
Arvind Mafatlal Foundation Trust	1.00	-
<b>Managerial remuneration (Short Term Employee Benefit) #</b>	13.42	25.05
<b>Director Sitting fees and Commission*</b>	2.98	3.28

# Excludes provision for gratuity and compensated absences which are determined based on an actuarial valuation done on overall basis for the company and accordingly individual figure are not available.

\* Commission payable to Independent / Non-Independent, Non-executive directors of ₹2.42 crores for the year ended March 31, 2024 is subject to approval of shareholders.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 45. RELATED PARTY TRANSACTIONS (contd.)

#### 45.2 Disclosures of closing balances:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Amounts due to</b>		
Manchester Organics Limited	0.33	0.00
Navin Fluorine Advanced Sciences Limited	2.81	0.04
<b>Amount due to Directors</b>		
Mr. Vishad P. Mafatlal	3.71	6.67
Mr. Radhesh R. Welling	0.47	4.45
Mr. Mohan M. Nambiar	0.22	0.28
Mr. Pradip N. Kapadia	0.22	0.28
Mr. Sunil S. Lalbhai	0.22	0.28
Mr. Sudhir G. Mankad	0.22	0.28
Mr. Harish H. Engineer	0.22	0.28
Mr. Atul K. Srivastava	0.22	0.28
Mrs. Radhika V. Haribhakti	0.22	0.28
Mr. Ashok U. Sinha	0.22	0.28
Mr. Sujal A. Shah	0.22	0.28
Mrs. Apurva S. Purohit	0.22	0.28
Mr. Sudhir R. Deo	0.22	-
<b>Amounts due from</b>		
Manchester Organics Limited		
Trade receivables	-	0.49
Others receivables	2.68	-
Sulakshana Securities Limited		
Security Deposit	0.01	0.01
Loan	-	1.72
Navin Fluorine Advanced Sciences Limited		
Inter Corporate Deposit	230.00	176.00
Interest on Inter Corporate Deposit	3.57	2.62
Trade receivables	44.84	23.50
Others receivables	5.57	8.13
<b>Corporate Guarantee given</b>		
Navin Fluorine Advanced Sciences Limited	1,811.00	1,338.00
<b>Security Provided</b>		
Manchester Organics Limited	4.73	4.57

#### Terms and Conditions:

##### 1. Sales

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists. For the year ended March 31, 2024, the Company has not recorded any loss allowances for trade receivables from related parties.

##### 2. Purchases

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and at market rates.

##### 3. Loan / Security Deposit to Wholly Owned Subsidiary

Company had given interest free loan to Sulakshana Securities Limited (SSL) pursuant to the sanctioned scheme of rehabilitation. Amount lying as at March 31, 2024 is Nil (March 31, 2023: ₹1.69 crores). Under Ind AS 109 'Financial Instruments' the same has been fair valued. Accordingly, ₹8.16 crores (March 31, 2023: ₹8.16 crores) has been disclosed as Investment in equity of SSL and ₹Nil (March 31, 2023: ₹1.72 crores) as loans to SSL as at March 31, 2024.

Security deposit outstanding with SSL as at March 31, 2024 for ₹0.01 crore (March 31, 2023: ₹0.01 crore).

Company had given Inter Corporate Deposit to Navin Fluorine Advanced Sciences Limited (NFASL). Amount lying as at March 31, 2024 is ₹230.00 crores (March 31, 2023: ₹176.00 crores). Rate of interest charged is between 7.02% - 7.35% p.a. (March 31, 2023 : 6.7% p.a.)

##### 4. Guarantees to subsidiary and joint venture company

Guarantees provided to the lenders of the subsidiary and joint venture company are for availing term loans from the lender banks.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 46. CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i) Capital commitments for Property, Plant and Equipment:</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	25.79	90.56
<b>ii) Other commitments:</b>		
Estimated amount of obligation on account of non-fulfillment of export commitments under various advance licenses	-	-

### 47. CONTINGENT LIABILITIES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Claims against the Company not acknowledged as debts</b>		
a. Income tax matters	3.46	3.29
b. Excise duty matters	4.23	4.23
c. Sales-tax matters	0.88	0.87
d. Employee related matters	0.82	0.07
e. Goods and Service tax matters	0.83	0.83
f. Other Corporate guarantee / Bank guarantees	0.15	0.15

Note : It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

### 48. RESEARCH AND DEVELOPMENT EXPENDITURE

The details of research and development expenditure of ₹125.04 crores (as at March 31, 2023 : ₹36.39 crores) included in the figures reported under notes 5A, 7 and 32 to 37 are as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Capital Expenditure	80.10	5.65
Revenue Expenditure	44.94	30.74
<b>Total</b>	<b>125.04</b>	<b>36.39</b>
The details of revenue expenditure incurred on research and development are as under :		
Salaries / Wages	22.06	16.45
Material / Consumable / Spares	7.07	6.83
Utilities	3.26	2.16
Other expenditure	4.72	3.38
Depreciation	7.83	1.92
<b>Total</b>	<b>44.94</b>	<b>30.74</b>

49. Mafatlal Industries Limited was executing a project in Iraq when hostilities broke out between Iraq and Kuwait in 1990-91, resulting in suspension of project work. In view of the post war sanctions imposed by the United Nations and the Government of India, suspended operations could not be resumed. The customer's bankers had asked for extension of bank guarantees for advance payment and performance and the State Bank of India (SBI), in turn, had claimed that the funds deposited with them in respect of the aforesaid project are subject to lien which was subsequently released on alternate arrangements. In view of the continuing uncertain circumstances, the receipts and payments under the contracts, transferred to the Company pursuant to the sanctioned scheme of Mafatlal Industries Limited, continue to be carried forward and necessary adjustments would be made on the status of the project becoming clearer. (Refer note 12 and note 25)

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Amount ₹ in crores unless otherwise stated

### 50. EXCEPTIONAL ITEM :

Exceptional item for the year ended March 31, 2024 comprises gain of ₹52.13 crore on account of sale of surplus unused colony land situated at Surat (Gujarat).

51. The Board of Directors has recommended final dividend of ₹7.00 per share on the face value of ₹2.00 each (350%), subject to approval by the Members at the forthcoming Annual General Meeting of the Company.

### 52. EARNINGS IN FOREIGN EXCHANGE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Export of goods calculated on FOB basis	623.31	840.46
Sale of Services	22.75	26.91

53. The Company had made a strategic investment in its wholly owned subsidiary Manchester Organics Limited (MOL), in the U.K. MOL has been an integral part of the overall Contract Research and Manufacturing Services (CRAMS) operations and strategy of the Company. Based on management assessment, the investments in MOL and identified property, plant and equipment located at Dewas Unit has been considered as one Cash Generating Unit (CGU).

The Company tests impairment on the aforesaid assets on an annual basis. The recoverable amount of the CGU is determined based on value-in-use calculations which require the use of assumptions. The Management has assessed the impairment of its CGU by reviewing the business forecasts and assumptions and believes that any reasonable possible change in the key assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

### 54. NET DEBT RECONCILIATION

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	1.69	9.09
Liquid Investments	451.81	31.11
Borrowings	(39.65)	-
Lease Liabilities	(24.79)	(13.99)
<b>Total</b>	<b>389.06</b>	<b>26.21</b>

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investments	Lease Liabilities	Borrowings	
<b>Net debt as at April 01, 2022</b>	<b>73.51</b>	<b>102.18</b>	<b>(16.06)</b>	<b>-</b>	<b>159.63</b>
Cash flows	(64.42)	(71.58)	4.19	-	(131.81)
New leases	-	-	(2.12)	-	(2.12)
Interest expense	-	-	(1.09)	-	(1.09)
Interest paid	-	-	1.09	-	1.09
Fair value adjustments	-	0.51	-	-	0.51
<b>Net debt as at March 31, 2023</b>	<b>9.09</b>	<b>31.11</b>	<b>(13.99)</b>	<b>-</b>	<b>26.21</b>

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 54. NET DEBT RECONCILIATION (contd.)

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investments	Lease Liabilities	Borrowings	
Cash flows	(7.40)	409.88	6.45	(39.65)	369.28
New leases	-	-	(17.25)	-	(17.25)
Interest expense	-	-	(1.85)	-	(1.85)
Interest paid	-	-	1.85	-	1.85
Fair value adjustments	-	10.82	-	-	10.82
<b>Net debt as at March 31, 2024</b>	<b>1.69</b>	<b>451.81</b>	<b>(24.79)</b>	<b>(39.65)</b>	<b>389.06</b>

### 55. ANALYTICAL RATIOS

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	3.68	4.91	(24.98)%	NA
(b) Debt-Equity	Total Debt	Shareholders' Equity	0.03	0.01	328.28%	Due to increase in debt in current year
(c) Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	26.19	57.49	(54.44)%	Due to decrease in net profit after taxes in current year
(d) Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	10.59%	15.60%	(32.15)%	Due to decrease in net profit after taxes in current year
(e) Inventory turnover Ratio	Cost of goods sold	Average Inventory	2.46	2.57	(4.18)%	NA
(f) Trade Receivables turnover Ratio	Net Credit Sales	Average Accounts Receivable	3.98	4.37	(8.95)%	NA
(g) Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	3.17	6.27	(49.42)%	Due to increase in credit period offered by vendors
(h) Net capital turnover Ratio	Net Sales	Working Capital	1.52	2.00	(23.81)%	NA
(i) Net profit Ratio	Net Profit	Net Sales	16.59%	19.20%	(13.63)%	NA

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 55. ANALYTICAL RATIOS (contd.)

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for variance
(j) Return on Capital Employed	Earning before interest, taxes and exceptional item	Capital Employed	10.30%	19.47%	(46.20)%	Due to decrease in Earning before interest and taxes in current year
(k) Return on investment	Earning before interest, taxes and exceptional item	Closing total assets	8.97%	17.49%	(48.69)%	Due to decrease in Earning before interest and taxes & increase in total assets in current year

### 56. ADDITIONAL INFORMATION

#### A. Details of loans given, investment made and guarantee given covered under section 186(4) of the Companies Act, 2013:

- Details of investments made have been given as part of Note '8' Investments in Subsidiaries and Joint Ventures.
- Loans and Financial Guarantees given below:

Name of the Company	Relationship	Nature of Transaction	As at March 31, 2024	As at March 31, 2023
<b>Details of Loans</b>				
Navin Fluorine Advanced Sciences Ltd.	Subsidiary	Loan	230.00	176.00
Sulakshana Securities Limited	Subsidiary	Loan	-	1.72
<b>Details of Guarantees</b>				
Navin Fluorine Advanced Sciences Ltd.	Subsidiary	Corporate Guarantee	1,811.00	1,338.00
Manchester Organics Limited	Subsidiary	Security Provided	4.73	4.57

- Disclosure relating to amount outstanding at year end and maximum outstanding during the year of loans and advances, in nature of loan, required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given below :

Name of the Company	As at March 31, 2024	Maximum outstanding during FY 2023-24	As at March 31, 2023	Maximum outstanding during FY 2022-23
<b>Subsidiaries</b>				
Navin Fluorine Advanced Sciences Ltd.	230.00	230.00	176.00	328.00
Sulakshana Securities Limited	-	1.72	1.72	6.93



## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

### 56. ADDITIONAL INFORMATION (contd.)

#### B. Additional regulatory information required by Schedule III

##### i. Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

##### ii. Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

##### iii. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or any lender.

##### iv. Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956

##### v. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

##### vi. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

##### vii. Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

##### viii. Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

##### ix. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

##### x. Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

##### xi. Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes 5A and 6 to the financial statements, are held in the name of the Company.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 56. ADDITIONAL INFORMATION (contd.)

##### xii. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

### 57. SUMMARY OF OTHER ACCOUNTING POLICES:

This note provides a list of other accounting policies adopted in the preparation of these standalone financial statements to the extent they have not already been disclosed in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of Preparation:

##### a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which consists of Chairman and Managing Director. The CODM assess the financial performance and position of the Company and makes strategic decisions. See Note 39 for segment information presented.

##### c) Government Grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

##### d) Leases

Company's material accounting policies about Leases as a lessee are explained in Note 2(c).

##### As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

##### e) Property, Plant and Equipment

Company's material accounting policies about Property, Plant and Equipment are explained in Note 2(g).

All other repairs and maintenance expenses (Subsequent costs) of which it is not probable that future economic benefits associated with the item will flow to the Company are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognized in the Statement of Profit and Loss.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 57. SUMMARY OF OTHER ACCOUNTING POLICES (contd.)

#### f) Intangible assets

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

They are amortised over a period of 3 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

#### g) Investment Properties

Company's material accounting policies about Investment Properties are explained in Note 2(h).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

#### h) Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset/cash generating unit exceeds its recoverable amount. The recoverable amount of the assets/cash generating unit is fair value less costs of disposal or value in use, whichever is higher.

Investment in subsidiaries, property, plant and equipment, intangible assets and other assets are tested for impairment at least annually and when event occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value.

#### i) Foreign currency transactions

##### i Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements of the Company are presented in Indian Rupees (₹), which is the functional and presentation currency of the Company.

##### ii Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### j) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

## Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 57. SUMMARY OF OTHER ACCOUNTING POLICES (contd.)

#### k) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

#### l) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

#### m) Earnings per share

##### i. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

##### ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

#### n) Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant & equipments utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**  
*Partner*  
Membership No. 048125

Mumbai, May 07, 2024

**For and on behalf of the Board of Directors**

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

**Anish P. Ganatra**  
*Chief Financial Officer*

**Niraj B. Mankad**  
*Company Secretary*

Mumbai, May 07, 2024

## Independent Auditor's Report

To  
The Members of  
**Navin Fluorine International Limited**

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

- We have audited the accompanying consolidated financial statements of Navin Fluorine International Limited (hereinafter referred to as the "Holding Company") and its branch and subsidiaries (Holding Company and its branch and subsidiaries, including a step down subsidiary together referred to as "the Group") and joint venture (refer Note 1B to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2024, and consolidated total comprehensive income (comprising of profit/ loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

#### BASIS FOR OPINION

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 and 15 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### KEY AUDIT MATTERS

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit matter

##### Impairment assessment of carrying value of:

- Goodwill relating to acquisition of Manchester Organics Limited, U.K.; and
- Identified Property, Plant and Equipment (PP&E) relating to Dewas Unit

(Refer to Note 2(h), 2(i), 5A and 7 in the consolidated financial statements)

The carrying value of the goodwill in relation to the acquisitions of the aforesaid subsidiary and the property plant and equipment (PP&E) relating to the group's manufacturing facility at Dewas as at March 31, 2024 is ₹72.85 crores and ₹214.24 crores respectively, which in aggregate represents approximately 6.56% of the total assets of the Group.

#### How our audit addressed the key audit matter

##### Our procedures included the following

- Understood the management process for impairment assessment and also evaluated the design and tested the operating effectiveness of the group's internal controls surrounding such assessment.
- Reviewed the Group's accounting policy in respect of impairment assessment of goodwill and PP&E.
- Assessed whether the Group's determination of CGUs was consistent with our knowledge of the Group's operations.

#### Key audit matter

The Group carries the Goodwill at cost less any accumulated impairment losses, if any, and PP&E at cost less accumulated depreciation and impairment losses, if any. The Group reviews their carrying values at every balance sheet date and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', where there is any indication of impairment to the carrying value.

Management estimates recoverable amount of the Cash Generating Unit (CGU) to which the Goodwill and PP&E belong, based on discounted cash flows, requiring judgements in respect of certain key inputs like determining an appropriate discount rate, future cash flows and terminal growth rate.

We have considered this to be a key audit matter as the balances are significant to the consolidated balance sheet and significant management judgement is involved in calculation of recoverable amount for the purpose of impairment testing.

#### How our audit addressed the key audit matter

- Compared the previous year cash flow forecasts made by the management to actual results to assess the historical accuracy of forecasting.
- To assess the reasonableness of the key assumptions used, in particular those relating to discount rates, cash flow forecasts and terminal growth rates applied:
  - Engaged with auditors' valuation experts to determine a range of acceptable discount rates and terminal growth rates, with reference to valuations of similar companies and other relevant external data.
  - Performed sensitivity analysis on the forecasts by varying the key assumptions within a foreseeable range.
  - Tested the cash flow forecasts used and assessed whether those were consistent with our understanding of the business.
- Checked the arithmetic accuracy of the computations included in the discounted cash flow projections.
- Evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements.
- Based on the above procedures performed, we noted that the management's assessment of the carrying value of the Goodwill and PP&E is reasonable.

#### OTHER INFORMATION

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Business responsibility and sustainability reporting format, report on corporate governance and management discussion and analysis report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 and 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

- The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to

fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the

Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant

audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### OTHER MATTERS

14. We did not audit the financial statements one subsidiary whose financial statements reflect total assets of ₹34.93 crores and net assets of ₹19.53 crores as at March 31, 2024, total revenue of ₹6.62 crores, total comprehensive income (comprising of profit and other comprehensive income) of ₹4.87 crores and net cash flows amounting to ₹(0.55) crores for the year ended on that date, as considered in the consolidated financial statements. This financial statements has been audited by other auditor whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
15. The financial statements of two subsidiaries and one step down subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of ₹63.29 crore and net assets of ₹63.19 crore as at March 31, 2024, total revenue of ₹11.56 crore, total comprehensive income (comprising of income and other comprehensive income) of ₹0.56 crore and net cash flows amounting to ₹0.59 crore for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards

applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and step down subsidiary located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and step down subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

16. We did not audit the financial statements of one subsidiary and one Branch located outside India whose financial statements reflect total assets of ₹50.58 crores and net assets of ₹25.14 crores as at March 31, 2024, total revenue of ₹33.08 crores, total comprehensive loss (comprising of loss and other comprehensive loss) of ₹(0.61) crores and net cash outflows amounting to ₹(0.06) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss of ₹0.01 crore for the year ended March 31, 2024 as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these branch, subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

17. As required by paragraph 3(xxii) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section

(11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

The statutory audit report of Swarnim Gujarat Fluorspar Private Limited, a joint venture of the Holding Company has not been issued until the date of this report. Accordingly, no comments for the said joint venture have been included for the purpose of reporting under this clause.

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 51 to the consolidated financial statements.
  - ii. The Group and its joint venture have long-term contracts as at March 31, 2024 for which there were no material foreseeable losses. The Group did not have any long-term derivative contracts as at March 31, 2024.
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year.
  - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The dividend declared and paid during the year by the Holding Company, its subsidiary companies and joint venture, is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions, except when certain privileged access are used, the audit log does not capture the pre-modified values for the changes and the audit trail has not been enabled at the database level for the accounting software to log any direct data changes that can be only made through certain privileged access. Further, during the course of our audit wherever audit trail is enabled, we did not notice any instance of audit trail feature being tampered with.

With respect to software used for processing payroll records, which is operated by a third party software service provider, the ISAE 3402 Type 2 report is not available with the software service provider and accordingly we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year.

19. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

**Jeetendra Mirchandani**  
Partner

Mumbai  
May 07, 2024

Membership Number: 048125  
UDIN: 24048125BKGOUA1386

## Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Navin Fluorine International Limited on the consolidated financial statements for the year ended March 31, 2024

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Navin Fluorine International Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

8. In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based

on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### OTHER MATTERS

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number:012754N/N500016

**Jeetendra Mirchandani**

Partner

Mumbai  
May 07, 2024

Membership Number: 048125  
UDIN: 24048125BKGOUA1386

## Consolidated Balance Sheet

as at March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
a. Property, plant and equipment	5A	1,685.44	1,471.83
b. Right-of-use assets	5B	48.43	33.09
c. Capital work-in-progress	5C	711.09	278.58
d. Investment properties	6	50.51	51.65
e. Goodwill	7	87.76	87.76
f. Other intangible assets	7	2.46	1.55
g. Financial assets			
i. Investment accounted for using the equity method	8	0.74	0.75
ii. Investments	9	8.05	10.89
iii. Loans	10	0.25	0.32
iv. Other financial assets	11	23.31	27.76
h. Non-current tax assets (Net)	12	12.70	31.41
i. Other non-current assets	13	193.05	148.17
<b>Total non-current assets</b>		<b>2,823.79</b>	<b>2,143.76</b>
<b>Current assets</b>			
a. Inventories	14	371.65	468.12
b. Financial assets			
i. Investments	15	486.03	32.17
ii. Trade receivables	16	512.51	561.52
iii. Cash and cash equivalents	17A	6.64	14.47
iv. Bank balances other than (iii) above	17B	20.90	20.34
v. Loans	18	0.61	-
vi. Other financial assets	19	18.25	7.88
c. Other current assets	20	136.62	279.31
		<b>1,553.21</b>	<b>1,383.81</b>
d. Assets classified as held for sale	21	-	1.72
<b>Total current assets</b>		<b>1,553.21</b>	<b>1,385.53</b>
<b>Total assets</b>		<b>4,377.00</b>	<b>3,529.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a. Equity share capital	22	9.91	9.91
b. Other equity			
i. Reserves and surplus	23A	2,216.34	2,019.18
ii. Other reserves	23B	156.42	155.86
<b>Total equity</b>		<b>2,382.67</b>	<b>2,184.95</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a. Financial liabilities			
i. Borrowings	24	1,022.86	753.13
ii. Lease Liabilities	25	17.30	6.42
b. Provisions	26	18.49	15.09
c. Deferred tax liabilities (Net)	27	64.33	34.75
d. Other non-current liabilities	28	13.45	13.47
<b>Total non-current liabilities</b>		<b>1,136.43</b>	<b>822.86</b>
<b>Current liabilities</b>			
a. Financial liabilities			
i. Borrowings	24	317.08	95.52
ii. Lease Liabilities	29	11.22	5.73
iii. Trade payables	30		
a. Total outstanding dues of micro enterprises and small enterprises		44.13	40.63
b. Total outstanding dues other than (iii) (a) above		258.37	202.85
iv. Other financial liabilities	31	83.92	101.23
b. Contract liabilities	34c	90.02	5.38
c. Provisions	32	12.12	7.96
d. Current tax liabilities (Net)	12	0.78	8.23
e. Other current liabilities	33	40.26	53.95
<b>Total current liabilities</b>		<b>857.90</b>	<b>521.48</b>
<b>Total liabilities</b>		<b>1,994.33</b>	<b>1,344.34</b>
<b>Total equity and liabilities</b>		<b>4,377.00</b>	<b>3,529.29</b>
<b>Material Accounting Policies</b>	2		

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date  
**For Price Waterhouse Chartered Accountants LLP**  
 Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**  
 Partner  
 Membership No. 048125

For and on behalf of the Board of Directors

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

**Anish P. Ganatra**  
 Chief Financial Officer

**Niraj B. Mankad**  
 Company Secretary  
 Mumbai, May 07, 2024

Mumbai, May 07, 2024

## Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from operations	34	2,065.01	2,077.40
Other Income	35	55.85	35.73
<b>Total Income</b>		<b>2,120.86</b>	<b>2,113.13</b>
<b>EXPENSES</b>			
Cost of materials consumed	36	902.28	905.72
Purchases of stock-in-trade		9.43	19.66
Changes in Inventories of finished goods, work in progress and stock-in-trade	37	23.72	(29.37)
Employee benefits expense	38	285.84	249.41
Finance costs	39	74.56	27.52
Depreciation and amortisation expense	40	96.16	62.64
Other expenses	41	445.46	381.67
<b>Total Expenses</b>		<b>1,837.45</b>	<b>1,617.25</b>
<b>Profit before exceptional item and tax</b>		<b>283.41</b>	<b>495.88</b>
Exceptional item	54 A	52.13	-
<b>Profit before tax</b>		<b>335.54</b>	<b>495.88</b>
<b>Tax expenses</b>			
(1) Current tax			
(a) for the year	42	61.79	106.10
(b) for earlier year	42	(26.09)	-
(2) Deferred tax	27.1	29.33	14.59
<b>Total Tax expenses</b>		<b>65.03</b>	<b>120.69</b>
<b>Profit for the year</b>		<b>270.51</b>	<b>375.19</b>
Share of (loss) from joint ventures (Net)		(0.01)	(0.01)
<b>Total profit for the year</b>		<b>270.50</b>	<b>375.18</b>
<b>Other comprehensive income</b>			
(A) Items that will not be reclassified to profit and loss			
(i) Remeasurement loss of the defined benefit obligations		(0.85)	1.03
(ii) Current tax relating to the above		0.31	(0.26)
<b>Total (A)</b>		<b>(0.54)</b>	<b>0.77</b>
(B) Items that may be reclassified to profit and loss			
(i) Exchange differences on translation of foreign operations		0.56	1.27
<b>Total (B)</b>		<b>0.56</b>	<b>1.27</b>
<b>Total other comprehensive income (A+B)</b>		<b>0.02</b>	<b>2.04</b>
<b>Total comprehensive income for the year</b>		<b>270.52</b>	<b>377.22</b>
<b>Profit is attributable to:</b>			
Owners of the Company		270.50	375.18
<b>Other Comprehensive Income attributable to:</b>			
Owners of the Company		0.02	2.04
<b>Total Comprehensive Income attributable to:</b>			
Owners of the Company		270.52	377.22
Earnings per equity share (of face value of ₹2.00 each)	44		
(1) Basic (in ₹)		54.57	75.70
(2) Diluted (in ₹)		54.49	75.44
<b>Material Accounting Policies</b>	2		

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes

As per our report of even date  
**For Price Waterhouse Chartered Accountants LLP**  
 Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**  
 Partner  
 Membership No. 048125

For and on behalf of the Board of Directors

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

**Anish P. Ganatra**  
 Chief Financial Officer

**Niraj B. Mankad**  
 Company Secretary  
 Mumbai, May 07, 2024

Mumbai, May 07, 2024

## Consolidated Statement of Cash Flows

for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before tax	335.54	495.88
Adjustments for:		
Depreciation and amortisation expense	96.16	62.64
Exceptional Item	(52.13)	-
(Gain) / Loss on sale / disposal of property, plant and equipment (Net)	0.89	(1.97)
(Gain) on sale of investments (Net)	(5.34)	(9.04)
Changes in fair value of financial assets at fair value through profit or loss	(10.95)	(0.97)
Employee Share-based payment expense	1.47	16.79
Finance Costs	74.56	27.52
Interest income	(3.26)	(3.03)
Lease rental income on investment properties	(13.17)	(14.45)
Net (Gain) / Loss on foreign currency transactions	(1.41)	2.06
Dividend Income	(0.03)	(0.03)
Excess provision/ liabilities written back	(0.01)	(0.50)
Provision for doubtful debts	0.81	2.03
<b>Operating profit before changes in operating assets and liabilities</b>	<b>423.13</b>	<b>576.93</b>
Adjustments for:		
Decrease / (Increase) in trade receivables	50.62	(206.65)
Decrease / (Increase) in inventories	96.47	(210.58)
Decrease / (Increase) in other assets	77.93	(233.56)
Increase in trade and other payables	136.01	120.05
<b>Cash generated from operations</b>	<b>784.16</b>	<b>46.19</b>
Income taxes paid (net of refunds)	(34.27)	(109.78)
<b>Net cash (used in) / generated from operating activities</b>	<b>749.89</b>	<b>(63.59)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(732.39)	(757.71)
Proceeds from sale of property, plant and equipment	54.13	2.18
Decrease / (Increase) in deposits with banks	3.57	(4.41)
Payments for purchase of investments	(1,878.24)	(1,261.86)
Proceeds from sale of investments	1,443.51	1,346.16
Lease rental income on investment properties	12.68	16.96
Dividend received	0.03	0.03
Interest received	3.26	3.03
<b>Net cash used in investing activities</b>	<b>(1,093.45)</b>	<b>(655.62)</b>

## Consolidated Statement of Cash Flows

for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from financing activities</b>		
Principal elements of lease payments	(6.60)	(5.67)
Proceeds from allotment of Employee Stock Option Plan (ESOP)	0.09	1.23
Proceeds of long term borrowings	380.85	653.13
Proceeds of short term borrowings (Net)	110.44	91.05
Dividend paid	(74.49)	(54.28)
Interest paid	(74.56)	(27.52)
<b>Net cash generated from financing activities</b>	<b>335.73</b>	<b>657.94</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(7.83)</b>	<b>(61.27)</b>
Cash and cash equivalents at the beginning of the year	14.47	75.74
<b>Cash and cash equivalents at the end of the year</b>	<b>6.64</b>	<b>14.47</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
As per Balance sheet - Note 17A	6.64	14.47
As per Cash flow statement	<b>6.64</b>	<b>14.47</b>

### Notes:

(1) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Statement of Cash Flows" as notified under Companies (Accounts) Rules, 2015.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

### For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

### Jeetendra Mirchandani

Partner

Membership No. 048125

### For and on behalf of the Board of Directors

### Vishad P. Mafatlal

Chairman

(DIN:00011350)

### Anish P. Ganatra

Chief Financial Officer

### Niraj B. Mankad

Company Secretary

Mumbai, May 07, 2024

Mumbai, May 07, 2024



## Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

### A. EQUITY SHARE CAPITAL

Amount ₹ in crores unless otherwise stated

Particulars	Amount
<b>Balance as at March 31, 2022</b>	9.91
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
<b>Balance as at March 31, 2023</b>	<b>9.91</b>
Shares issued on exercise of employee stock options during the year	*
Less: Calls in arrears	-
<b>Balance as at March 31, 2024</b>	<b>9.91</b>

\* Numbers are below rounding off

### B. OTHER EQUITY

Particulars	Reserves & Surplus			Other Reserves					Total other equity	
	Securities Premium Reserve	General Reserve	Share Options Outstanding Account	Retained Earnings	Capital Reserve 1	Capital Reserve 2	Capital redemption reserve	Call in arrears / share options pending for allotment		Foreign currency translation reserve
<b>Balance as at March 31, 2022</b>	<b>25.47</b>	<b>73.33</b>	<b>1.30</b>	<b>1,579.62</b>	<b>80.35</b>	<b>70.35</b>	<b>0.34</b>	<b>0.01</b>	<b>3.54</b>	<b>1,834.31</b>
Profit for the year	-	-	-	375.18	-	-	-	-	-	375.18
Other comprehensive income for the year, net of income tax	-	-	-	0.77	-	-	-	-	1.27	2.04
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>375.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.27</b>	<b>377.22</b>
Shares issued on exercise of employee stock options during the year	1.71	-	-	-	-	-	-	-	-	1.71
Recognition of share-based payments (Net)	-	-	16.32	-	-	-	-	-	-	16.32
Payment of dividends (including tax)	-	-	-	(54.52)	-	-	-	-	-	(54.52)
<b>Balance as at March 31, 2023</b>	<b>27.18</b>	<b>73.33</b>	<b>17.62</b>	<b>1,901.05</b>	<b>80.35</b>	<b>70.35</b>	<b>0.34</b>	<b>0.01</b>	<b>4.81</b>	<b>2,175.04</b>
Profit for the year	-	-	-	270.50	-	-	-	-	-	270.50
Other comprehensive income for the year, net of income tax	-	-	-	(0.54)	-	-	-	-	0.56	0.02
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>269.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.56</b>	<b>270.52</b>
Shares issued on exercise of employee stock options during the year	0.09	-	-	-	-	-	-	-	-	0.09
Recognition of share-based payments (Net)	-	-	1.47	-	-	-	-	-	-	1.47
Payment of dividends (including tax)	-	-	-	(74.36)	-	-	-	-	-	(74.36)
<b>Balance as at March 31, 2024</b>	<b>27.27</b>	<b>73.33</b>	<b>19.09</b>	<b>2,096.65</b>	<b>80.35</b>	<b>70.35</b>	<b>0.34</b>	<b>0.01</b>	<b>5.37</b>	<b>2,372.76</b>

The above Consolidated Statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

**Jeetendra Mirchandani**

Partner

Membership No. 048125

Mumbai, May 07, 2024

**For and on behalf of the Board of Directors**

**Vishad P. Mafatlal**

Chairman

(DIN:00011350)

**Niraj B. Mankad**

Company Secretary

Mumbai, May 07, 2024

**Anish P. Ganatra**

Chief Financial Officer

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### 1A. CORPORATE INFORMATION

Navin Fluorine International Limited ("the Company") is a public limited company, incorporated under the provisions of the Companies Act, 1956. Its registered office is located at Office No. 602, Natraj by Rustomjee, Near Western Express Highway, Sir Mathuradas VasANJI Road, Andheri (East), Mumbai 400069.

The Company and its subsidiary Companies are referred to as the Group here under. The Group primarily focuses on fluorine chemistry - producing refrigeration gases, inorganic fluorides, specialty organofluorines and offers Contract Research and Manufacturing Services.

### 1B. BASIS OF CONSOLIDATION

Name of the Company	Country of Incorporation	Proportion of Ownership	
		As at March 31, 2024	As at March 31, 2023
<b>Subsidiaries:</b>			
Sulakshana Securities Limited	India	100%	100%
Navin Fluorine Advanced Sciences Limited	India	100%	100%
NFIL (UK) Limited	UK	100%	100%
Manchester Organics Limited	UK	100%	100%
Navin Fluorine (Shanghai) Co. Limited	China	100%	100%
<b>Step-down Subsidiary:</b>			
NFIL USA, Inc.	USA	100%	100%
<b>Joint Ventures (JV):</b>			
Swarnim Gujarat Fluorspar Private Limited (JV)	India	49.48%	49.48%

### 2. MATERIAL ACCOUNTING POLICIES

This note provide a list of the material accounting policies adopted by the Group in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Consolidated Financial Statements are for the group consisting of the Company, subsidiaries and step-down subsidiary companies.

#### a) Basis of Preparation

##### (i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

##### (ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration are measured at fair value.
- defined benefit plans – plan assets are measured at fair value.
- share-based payments are measured at fair value.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### (iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain accounting standards, and are effective April 01, 2023.

- Disclosure of accounting policies – amendment to Ind AS 1.
- Disclosure of accounting estimates - amendment to Ind AS 8.
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior period and are not expected to significantly affect the current or further periods. Specifically, no changes would be necessary as consequences of amendments made to Ind AS 12 as the Group's accounting policy already complies with now mandatory treatment.

### b) Principles of consolidation and equity accounting

#### (i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

#### (ii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in Joint Ventures.

Interest in Joint Venture Company are accounted for using the equity method of accounting [see (iii) below], after initially being recognised at cost in the Consolidated Financial Statements.

#### (iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate and joint venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 58 (h).

### (iv) Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

### c) Revenue recognition

#### (i) Sale of Goods

Revenue is generated primarily from sale of chemicals. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of lading as per the terms of contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

#### (ii) Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

#### (iii) Contract liability

A contract liability is the obligation to transfer goods / render services to the customer for which the Group has received consideration from the customer. Contract liabilities are recognized as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods / rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### (iv) Export Incentives

Export incentives are recognised for based on the eligibility and when there is no uncertainty in receiving the same.

### d) Leases

#### (i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

#### Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

See note 58(d) for the other accounting policies relevant to Leases.

### e) Income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax liabilities are not recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### f) Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

#### (ii) Other long-term employee benefit obligations

##### Leave obligation:

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (iii) Post-employment obligations

The Group operates the following post-employment schemes:

##### Defined benefit plan

##### Gratuity Obligations:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the Consolidated Statement of Changes in Equity in the balance sheet.

##### Provident fund liability:

The Group contributes towards family pension fund, superannuation fund and provident fund for certain employees which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Provident Fund for certain employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognized by the Income Tax authorities where other entities are also the participant. Periodic contributions to the Fund are charged to the Consolidated Statement of Profit and Loss and when services are rendered by the employees. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

### g) Employee share-based payment arrangements

Eligible employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to eligible employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this pricing model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

### h) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment which are not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. However, for below assets, the useful lives are higher or lower than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. However, for below assets, mentioned in table below, where useful life is different than those prescribed in Schedule II. The estimated useful life of the assets, mentioned in table below, has been assessed based on external technical evaluation which considered the nature of the assets, estimated usage of the assets, the operating condition of the assets, anticipated technological changes, manufacturer warranties, experience of the management and group companies, maintenance support, etc:

Assets	Useful Life
Plant and Machinery	5-50 years
Building	50 years
Furniture and fixtures	7 years
Office equipment	3 – 5 years
Roads	50 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

See note 58(e) for the other accounting policies relevant to Property, Plant and Equipment

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### i) Intangible assets

#### Goodwill

Goodwill on acquisitions of subsidiary companies is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of Goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

See note 58(f) for the other accounting policies relevant to intangible assets.

### j) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable, borrowing costs.

Investment properties are depreciated using straight line method over their useful lives specified in Schedule II to the Companies Act, 2013.

See note 58(g) for the other accounting policies relevant to Investment properties.

### k) Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on weighted average basis. Cost includes all charges in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

### l) Cash and Cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

### n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

### p) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

### q) Provisions and contingencies

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

### r) Investment in associate and joint ventures

Investments in associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Consolidated Statement of Profit and Loss.

### s) Investment and other financial assets

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Consolidated Statement of Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Consolidated Statement of Profit and Loss or other comprehensive income.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

### (iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Consolidated Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Profit or Loss are expensed in the Statement of Consolidated Profit and Loss.

#### I. Debt Instruments:

Subsequent measurement of debt instruments depends on the Group business model for managing the assets and cash flows characteristic. There are three measurement categories into which the group classifies its debt instruments.

- **Amortised Cost:** Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the Statement of Consolidated Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Consolidated Profit and Loss.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).
- **Fair Value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income. Debt instrument under this category comprises of investments in mutual funds that do not qualify for measurement at either at amortised cost or FVOCI.

#### II. Equity instruments

The Group subsequently measures all equity investments other than investment in subsidiary companies and joint venture at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in Statement of Consolidated Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Consolidated Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 47.5 details how the Group determines whether there has been a significant increase in credit risk.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### (v) Income recognition

#### • Interest income:

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognized in the Statement of Consolidated Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

#### • Dividend:

Dividends are recognised in the Consolidated Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

### t) Exceptional items

If the management believes that losses are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

### 3. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and current tax payable [Refer note:42]
- Estimated fair value of unlisted equity securities. [Refer note:47.2]
- Useful lives of property, plant and equipment and intangible assets. [Refer note:5A & 7]
- Estimation of Defined benefits plan [Refer note:46]
- Estimation of contingent liabilities [Refer note:51]
- Impairment of trade receivables [Refer note:47.5]

### 4. ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 5A. PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Freehold land	Buildings	Office equipment	Vehicles	Plant and machinery	Furniture and fixture	Total
<b>I. Gross Block</b>							
<b>Balance as at April 01, 2022</b>	0.37	85.52	17.45	3.17	428.41	12.53	547.45
Additions	-	135.33	6.76	-	1,003.17	6.22	1,151.48
Assets included in a disposal group classified as held for sale	*	(2.70)	-	-	-	-	(2.70)
Disposals/Adjustments	-	-	(0.05)	-	(1.24)	-	(1.29)
Effect of Foreign currency exchange difference	-	-	0.02	-	0.21	-	0.23
<b>Balance as at March 31, 2023</b>	<b>0.37</b>	<b>218.15</b>	<b>24.18</b>	<b>3.17</b>	<b>1,430.55</b>	<b>18.75</b>	<b>1,695.17</b>
<b>II. Accumulated depreciation</b>							
<b>Balance as at April 01, 2022</b>	-	14.48	6.88	1.32	143.86	3.36	169.90
Depreciation expense for the year	-	3.33	2.34	0.40	47.35	1.93	55.35
Assets included in a disposal group classified as held for sale	-	(0.98)	-	-	-	-	(0.98)
Disposals/Adjustments	-	-	(0.03)	-	(1.05)	-	(1.08)
Effect of Foreign currency exchange difference	-	-	0.01	-	0.14	-	0.15
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>16.83</b>	<b>9.20</b>	<b>1.72</b>	<b>190.30</b>	<b>5.29</b>	<b>223.34</b>
<b>Net block (I-II)</b>							
<b>Balance as at March 31, 2023</b>	<b>0.37</b>	<b>201.32</b>	<b>14.98</b>	<b>1.45</b>	<b>1,240.25</b>	<b>13.46</b>	<b>1,471.83</b>
<b>I. Gross Block</b>							
<b>Balance as at April 01, 2023</b>	0.37	218.15	24.18	3.17	1,430.55	18.75	1,695.17
Additions	-	46.51	5.24	0.26	241.28	8.26	301.55
Assets included in a disposal group classified as held for sale	-	-	-	-	-	-	-
Disposals/Adjustments	*	-	(0.28)	(1.12)	(7.07)	(0.35)	(8.82)
Effect of Foreign currency exchange difference	-	-	0.03	-	0.33	-	0.36
<b>Balance as at March 31, 2024</b>	<b>0.37</b>	<b>264.66</b>	<b>29.17</b>	<b>2.31</b>	<b>1,665.09</b>	<b>26.66</b>	<b>1,988.26</b>
<b>II. Accumulated depreciation</b>							
<b>Balance as at April 01, 2023</b>	-	16.83	9.20	1.72	190.30	5.29	223.34
Depreciation expense for the year	-	5.22	3.63	0.31	74.58	3.12	86.86
Assets included in a disposal group classified as held for sale	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	(0.18)	(0.90)	(6.30)	(0.27)	(7.65)
Effect of Foreign currency exchange difference	-	-	0.02	-	0.25	-	0.27
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>22.05</b>	<b>12.67</b>	<b>1.13</b>	<b>258.83</b>	<b>8.14</b>	<b>302.82</b>
<b>Net block (I-II)</b>							
<b>Balance as at March 31, 2024</b>	<b>0.37</b>	<b>242.61</b>	<b>16.50</b>	<b>1.18</b>	<b>1,406.26</b>	<b>18.52</b>	<b>1,685.44</b>

\* Numbers are below rounding off

#### Note:

- Refer note 50 for details of Capital commitment relating to Property, plant and equipment.
- Refer note 24 for information on charge on Property, plant and equipment as collateral security by the group.
- Property, plant and equipment includes gross amount of ₹443.45 crores (March 31, 2023: ₹430.18 crores) for capex associated with a dedicated supply contract meeting the criteria of operating lease under Ind AS 116.

## Notes Forming Part of the Consolidated Financial Statements

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Amount ₹ in crores unless otherwise stated

### 5B. RIGHT-OF-USE ASSETS

This note provides information for leases where the Group is a lessee. The Group leases various Premises, Vehicles and Plant and machinery.

Description	Premises	Vehicles	Plant and machinery	Leasehold Land	Total
<b>I. Gross Block</b>					
<b>Balance as at April 01, 2022</b>	22.63	1.56	2.53	24.33	51.05
Addition	-	2.12	-	-	2.12
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	-	(0.65)
Effects of Foreign currency	-	-	0.04	-	0.04
<b>Balance as at March 31, 2023</b>	<b>22.47</b>	<b>3.54</b>	<b>2.22</b>	<b>24.33</b>	<b>52.56</b>
<b>II. Accumulated depreciation</b>					
Balance as at April 01, 2022	9.26	0.92	1.05	2.30	13.53
Depreciation expense for the year	5.56	0.56	0.20	(0.43)	5.89
Disposals/Adjustments	(0.16)	(0.14)	(0.35)	0.69	0.04
Effects of Foreign currency	-	-	0.01	-	0.01
<b>Balance as at March 31, 2023</b>	<b>14.66</b>	<b>1.34</b>	<b>0.91</b>	<b>2.56</b>	<b>19.47</b>
<b>Net block (I-II)</b>					
<b>Balance as at March 31, 2023</b>	<b>7.81</b>	<b>2.20</b>	<b>1.31</b>	<b>21.77</b>	<b>33.09</b>
<b>I. Gross Block</b>					
Balance as at April 01, 2023	22.47	3.54	2.22	24.33	52.56
Addition	7.61	7.73	8.90	-	24.24
Disposals/Adjustments	(13.42)	-	(1.80)	-	(15.22)
Effects of Foreign currency	-	-	0.06	-	0.06
<b>Balance as at March 31, 2024</b>	<b>16.66</b>	<b>11.27</b>	<b>9.38</b>	<b>24.33</b>	<b>61.64</b>
<b>II. Accumulated depreciation</b>					
Balance as at April 01, 2023	14.66	1.34	0.91	2.56	19.47
Depreciation expense for the year	4.18	1.87	1.34	0.24	7.63
Disposals/Adjustments	(13.43)	-	(0.47)	-	(13.90)
Effects of Foreign currency	-	-	0.01	-	0.01
<b>Balance as at March 31, 2024</b>	<b>5.41</b>	<b>3.21</b>	<b>1.79</b>	<b>2.80</b>	<b>13.21</b>
<b>Net block (I-II)</b>					
<b>Balance as at March 31, 2024</b>	<b>11.25</b>	<b>8.06</b>	<b>7.59</b>	<b>21.53</b>	<b>48.43</b>

### 5C. CAPITAL WORK-IN PROGRESS

#### (a) Movement of Capital work-in-progress

Description	Total
<b>Capital work-in progress</b>	
<b>Balance as at March 31, 2022</b>	742.10
Addition	697.44
Disposals/Adjustments/Transfers	(1,160.96)
<b>Balance as at March 31, 2023</b>	<b>278.58</b>
Addition	736.20
Disposals/Adjustments/Transfers	(303.69)
<b>Balance as at March 31, 2024</b>	<b>711.09</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 5C. CAPITAL WORK-IN PROGRESS (contd.)

#### (b) Ageing of Capital work-in-progress

Particulars	As at March 31, 2024				
	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i) Projects in Progress	628.62	75.17	7.30	-	711.09
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>628.62</b>	<b>75.17</b>	<b>7.30</b>	<b>-</b>	<b>711.09</b>

Particulars	As at March 31, 2023				
	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
i) Projects in Progress	271.06	7.52	-	-	278.58
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>271.06</b>	<b>7.52</b>	<b>-</b>	<b>-</b>	<b>278.58</b>

#### (c) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	As at March 31, 2024				
	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
<b>i) Projects in Progress</b>					
Project A	593.45	-	-	-	593.45
Project B	-	-	-	-	-
<b>Total Project in Progress</b>	<b>593.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593.45</b>
<b>ii) Projects temporarily suspended</b>					
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<b>Total Projects in temporarily suspended</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>593.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593.45</b>

Particulars	As at March 31, 2023				
	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
<b>i) Projects in Progress</b>					
Project A	28.40	-	-	-	28.40
Project B	-	-	-	-	-
<b>Total Project in Progress</b>	<b>28.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.40</b>
<b>ii) Projects temporarily suspended</b>					
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<b>Total Projects in temporarily suspended</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>28.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.40</b>

d) In current year group has included ₹63.59 crores in Capital work-in-progress as preoperative expenses (Previous year : ₹102.55 crores)

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 6. INVESTMENT PROPERTIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Gross carrying amount</b>		
Opening Balance	59.58	59.58
Additions	-	-
Disposals	-	-
Closing Balance	<b>59.58</b>	<b>59.58</b>
<b>II. Accumulated depreciation</b>		
Opening Balance	7.93	6.80
Charge for the year	1.14	1.13
Closing Balance	<b>9.07</b>	<b>7.93</b>
<b>Net carrying amount (I-II)</b>	<b>50.51</b>	<b>51.65</b>

#### (i) Amount recognised in the Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income (refer note 35)	13.17	14.45
Direct operating expenses from property that generated rental income	2.59	2.79
<b>Profit from investment properties before depreciation</b>	<b>10.58</b>	<b>11.66</b>
Depreciation	1.14	1.13
<b>Profit from investment properties</b>	<b>9.44</b>	<b>10.53</b>

#### (ii) The Company has given office premises under lease rental agreement. Details of minimum lease payments for non-cancellable leases are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
not later than one year	3.49	5.63
later than one year and not later than five years	9.20	15.27
later than five years	-	-
<b>Total</b>	<b>12.69</b>	<b>20.90</b>
Operating lease rentals credited to the Consolidated Statement of Profit and Loss (refer note 35)	<b>13.17</b>	<b>14.45</b>

#### (iii) Fair Value

Particulars	As at March 31, 2024	As at March 31, 2023
Investment properties	<b>227.00</b>	<b>207.27</b>

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 6. INVESTMENT PROPERTIES (contd.)

- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by independent valuer. The valuation is based on market research, market trend and comparable values as considered appropriate. All resulting fair value estimates for investment properties are included in level 3.

### 7. OTHER INTANGIBLE ASSETS AND GOODWILL

Particulars	Other intangible assets - Software	Goodwill
<b>Balance at April 01, 2022</b>	3.07	87.76
Additions	1.33	-
Deduction/Adjustment	-	-
<b>Balance at March 31, 2023</b>	<b>4.40</b>	<b>87.76</b>
<b>Accumulated amortisation</b>		
Balance at April 01, 2022	2.58	-
Amortisation expense	0.27	-
Deduction/Adjustment	-	-
<b>Balance at March 31, 2023</b>	<b>2.85</b>	-
<b>Net carrying amount as at March 31, 2023</b>	<b>1.55</b>	<b>87.76</b>
<b>Balance at April 01, 2023</b>	4.40	87.76
Additions	1.44	-
Deduction/Adjustment	-	-
<b>Balance at March 31, 2024</b>	<b>5.84</b>	<b>87.76</b>
<b>Accumulated amortisation</b>		
Balance at April 01, 2023	2.85	-
Amortisation expense	0.53	-
Deduction/Adjustment	-	-
<b>Balance at March 31, 2024</b>	<b>3.38</b>	-
<b>Net carrying amount as at March 31, 2024</b>	<b>2.46</b>	<b>87.76</b>

#### Significant estimate - impairment of Goodwill

For the purpose of impairment testing, Goodwill is allocated to a cash generating unit, representing the lowest level within the Group at which Goodwill is monitored for internal Management purposes and which is not higher than the operating segment of the Group. The Goodwill of ₹14.91 Crores pertains to the acquisition of Sulakshana Securities Limited and recoverable amount has been determined using fair value less cost of disposal. Goodwill of ₹72.85 Crores pertains to the acquisition of Manchester Organics Limited and recoverable amount has been determined based on its value in use.

Under value in use calculation, management with the help of external valuer uses cash flow projections based on financial budgets approved by the management covering a five-year period, and a discount rate of 14.25% per annum respectively. The cash flows beyond that five-year period have been extrapolated using a terminal growth rate of 3% per annum. The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. Accordingly, there was no impairment recorded for the period March 31, 2024.



## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 8. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
<b>Investments in Equity Instruments</b>				
<b>In joint ventures (Unquoted, fully paid up)</b>				
- Equity shares of Swarnim Gujarat Fluorspar Private Limited of ₹10.00 each	1,182,500	0.75	1,182,500	0.76
Add: Share in total comprehensive income		(0.01)		(0.01)
<b>Total</b>		<b>0.74</b>		<b>0.75</b>
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		<b>0.74</b>		<b>0.75</b>
Aggregate amount of impairment in value of investments		-		-

### 9. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
<b>(a) Investments in Equity Instruments</b>				
- Equity shares of Cebon Apparel Private Limited of ₹10.00 each	390,591	3.36	481,600	3.65
- Equity shares of Mafatal Services Limited of ₹100.00 each [Gross (-) impairment of ₹0.13 crores (March 31, 2023: ₹0.13 crores)]	9,300	-	9,300	-
<b>(b) Investments in Alternate investment fund - (at fair value through profit or loss)</b>				
- ASK Real Estate Special Situation Fund - I -RESSF-4071	381	4.69	541	7.24
<b>Total</b>		<b>8.05</b>		<b>10.89</b>
Of the above:				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		8.05		10.89
Aggregate amount of impairment in value of investments		0.13		0.13

### 10. LOANS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
- Loans to employees	0.25	0.32
Less: Loss allowance	-	-
<b>Total</b>	<b>0.25</b>	<b>0.32</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 10. LOANS (NON-CURRENT) (contd.)

#### Break-up of Security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.25	0.32
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
<b>Total</b>	<b>0.25</b>	<b>0.32</b>
Loss allowance	-	-
<b>Total</b>	<b>0.25</b>	<b>0.32</b>

### 11 OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks held as margin money*	6.06	10.19
Security deposits	13.93	14.78
Rent Receivable	3.32	2.79
<b>Total</b>	<b>23.31</b>	<b>27.76</b>

\* The above bank deposits are marked as lien against bank guarantees.

### 12. NON-CURRENT TAX ASSETS / CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current Tax Assets [net of provision ₹232.84 Crores (March 31, 2023: ₹390.76 Crores)]	12.70	31.41
Current Tax Liability [net of Advance tax ₹150.92 Crores (March 31, 2023: ₹182.86 Crores)]	0.78	8.23

### 13. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	66.39	86.36
Prepaid expenses	0.12	0.35
Advance Fringe benefit tax	0.04	0.04
Advances towards a Project (refer note 53)	1.63	1.63
Balances with government authorities	124.87	59.79
<b>Total</b>	<b>193.05</b>	<b>148.17</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 14. INVENTORIES

Particulars	As at	
	March 31, 2024	March 31, 2023
Raw materials	200.00	299.45
Work-in-progress	48.54	58.82
Finished goods	68.39	58.29
Stock-in-trade	-	22.57
Stores and Spares	54.72	28.99
<b>Total</b>	<b>371.65</b>	<b>468.12</b>

Write-downs of inventories to net realisable value amounted to ₹2.24 crores (March 31, 2023 – ₹3.72 crores). These were recognised as an expense during the year and included in 'Cost of materials consumed' and 'Changes in Inventories of finished goods, work in progress and stock-in-trade' in the Statement of Profit and Loss.

### 15. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
<b>(a) Investments in Equity Instruments (Quoted, fully paid up) - (at fair value through profit or loss)</b>				
- Equity shares of NOCIL Limited of ₹10.00 each	110,000	2.74	110,000	2.27
<b>(b) Investments in mutual funds (Unquoted) - (at fair value through profit or loss)</b>				
- ICICI Ultra Short Term Fund - Regular Plan - Growth Option	5,036,768	12.75	-	-
- Mirae Asset Liquid Fund - Regular Plan - Growth Option	183,887	36.29	-	-
- UTI Liquid Cash Plan - Regular Plan - Growth Option	72,978	28.66	-	-
- Axis Liquid Fund - Regular Plan - Growth Option	138,111	36.80	-	-
- Aditya Birla SunLife Liquid Fund - Regular Plan - Growth Option	636,029	24.53	-	-
- HSBC Liquid Fund - Regular Plan - Growth Option	95,677	22.84	-	-
- Nippon India Money Market Fund - Regular Plan - Growth Option	34,418	13.01	-	-
- Bandhan Liquid Fund - Regular Plan - Growth Option	43,203	12.50	-	-
- Bandhan Ultra Short Term Fund - Regular Plan - Growth Option	8,399,383	11.68	-	-
- TATA Liquid Fund - Regular Plan - Growth Option	113,945	32.57	-	-
- HDFC Overnight Fund - Regular Plan - Growth Option	212,103	13.02	-	-
- HDFC Ultra Short Term Fund - Regular Plan - Growth Option	9,204,077	12.74	-	-
- HDFC Liquid Fund - Regular Plan - Growth Option	88,602	41.63	-	-
- ICICI Pru Liquid Fund - Regular Plan - Growth Option	865,252	23.20	32,125	1.06
- HDFC Overnight Fund - Regular plan- Growth Option	28,410	10.01	-	-
- Sundaram Liquid Fund - Regular Plan - Growth Option	9,522	8.49	72,863	11.05
- Mirae Asset Overnight Fund - Regular Plan - Growth Option	876,019	3.04	-	-

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 15. INVESTMENTS (contd.)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
- Nippon India Liquid Fund - Regular Plan - Growth Option	67,087	39.20	-	-
- Nippon India Ultra Short Duration Fund - Regular Plan - Growth Option	25,069	9.25	-	-
- UTI Overnight Fund - Regular Plan - Growth Option	654,791	39.60	-	-
- AXIS Overnight Fund - Regular Plan - Growth Option	799,550	43.56	50,869	6.02
- ICICI Prudential Overnight Fund - Regular Plan - Growth Option	138,281	6.07	74,808	9.00
<b>(c) Investments in Bonds/debentures (Unquoted, fully paid up) - (at amortised cost)</b>				
10% Non-convertible debentures of ATS Infrabuild Private Limited SR-I to III NCD	18	1.85	18	2.77
<b>Total</b>		<b>486.03</b>		<b>32.17</b>
Of the above:				
Aggregate amount of quoted investments and market value thereof		2.74		2.27
Aggregate amount of unquoted investments		483.29		29.90
Aggregate amount of impairment in value of investments		-		-

### 16. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	517.46	565.66
Less:- Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(4.95)	(4.14)
<b>Total receivables</b>	<b>512.51</b>	<b>561.52</b>

#### Break-up for security details

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	1.20	1.15
Trade receivables considered good - Unsecured	511.31	560.37
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	4.95	4.14
<b>Total receivables</b>	<b>517.46</b>	<b>565.66</b>
Allowance for doubtful debts (expected credit loss allowances) (refer note 47.5)	(4.95)	(4.14)
<b>Total trade receivables</b>	<b>512.51</b>	<b>561.52</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 16. TRADE RECEIVABLES (contd.)

#### Ageing of trade receivables:

Particulars	As at March 31, 2024						
	Outstanding for following periods from the due date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
a) Considered good	453.24	54.81	0.71	3.69	0.05	0.01	512.51
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	0.26	2.81	1.88	4.95
<b>Total Undisputed Trade receivables</b>	<b>453.24</b>	<b>54.81</b>	<b>0.71</b>	<b>3.95</b>	<b>2.86</b>	<b>1.89</b>	<b>517.46</b>
<b>Disputed trade receivables</b>							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
<b>Total disputed Trade receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>453.24</b>	<b>54.81</b>	<b>0.71</b>	<b>3.95</b>	<b>2.86</b>	<b>1.89</b>	<b>517.46</b>

#### Ageing of trade receivables:

Particulars	As at March 31, 2023						
	Outstanding for following periods from the due date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
a) Considered good	510.61	46.01	3.90	1.00	-	-	561.52
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	0.26	2.00	0.62	1.26	4.14
<b>Total Undisputed Trade receivables</b>	<b>510.61</b>	<b>46.01</b>	<b>4.16</b>	<b>3.00</b>	<b>0.62</b>	<b>1.26</b>	<b>565.66</b>
<b>Disputed trade receivables</b>							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-	-
<b>Total disputed Trade receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>510.61</b>	<b>46.01</b>	<b>4.16</b>	<b>3.00</b>	<b>0.62</b>	<b>1.26</b>	<b>565.66</b>

### 17A. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.07	0.09
Balances with banks in current account *	6.52	14.33
Deposits with original maturity of less than or equal to 3 months	0.05	0.05
<b>Total</b>	<b>6.64</b>	<b>14.47</b>

\*One current account with bank balance ₹0.02 Crores (March 31, 2023: ₹0.02 Crores), which has not been transferred from Mafatlal Industries Limited pursuant to its scheme of demerger, is in the process of being transferred in the Company's name.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 17B. OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	4.74	4.88
Buyback account	-	0.01
Deposits with maturity of more than 3 month and less than 12 months	3.81	3.66
Deposits money received under protest (refer note 54)	12.00	11.44
Balances in earmarked accounts (Unpaid matured debentures)	0.35	0.35
<b>Total</b>	<b>20.90</b>	<b>20.34</b>

### 18. LOANS (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Loans to employees	0.61	-
Less: Loss allowance	-	-
<b>Total</b>	<b>0.61</b>	<b>-</b>

#### Break-up of Security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.61	-
Loans which have significant increase in credit risk	-	-
Loss allowance	-	-
<b>Total</b>	<b>0.61</b>	<b>-</b>

### 19. OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Rent Receivable	0.29	0.33
Lease Receivable	9.96	-
Security deposits	0.44	1.40
Derivative assets - Foreign exchange contracts	0.14	0.32
Export incentive receivables	7.34	4.29
Other Receivable	0.08	1.54
<b>Total</b>	<b>18.25</b>	<b>7.88</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 20. OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to suppliers	14.31	70.24
Prepaid expenses	8.17	5.21
Balances with government authorities	96.99	196.61
Others advances	17.15	7.25
<b>Total</b>	<b>136.62</b>	<b>279.31</b>

### 21. ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2024	As at March 31, 2023
Building	-	1.72
<b>Total</b>	<b>-</b>	<b>1.72</b>

### 22. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Shares</b>		
17,50,00,000 equity shares of ₹2 each	35.00	35.00
<b>Issued, subscribed and fully paid shares</b>		
4,95,73,400 (as at March 31, 2023 - 4,95,71,170) equity shares of ₹2.00 each	9.91	9.91
Less: Calls in arrears [refer note 22 (f)]	*	*
<b>Total</b>	<b>9.91</b>	<b>9.91</b>

\*Numbers are below rounding off

#### (a) Reconciliation of the number of shares and amount outstanding:

Particulars	Number of shares	Amount
<b>Balance as at March 31, 2022</b>	<b>49,553,150</b>	<b>9.91</b>
Add: Shares issued on exercise of employee stock options during the year	18,020	*
<b>Balance as at March 31, 2023</b>	<b>49,571,170</b>	<b>9.91</b>
Add: Shares issued on exercise of employee stock options during the year	2,230	*
<b>Balance as at March 31, 2024</b>	<b>49,573,400</b>	<b>9.91</b>

\*Numbers are below rounding off

#### (b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹2.00 per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company in proportion to the number of and amounts paid on the shares held.

#### (c) Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 22. EQUITY SHARE CAPITAL (contd.)

#### (d) Details of shareholders holding more than 5% shares in the Company:

Particulars	No. of fully paid shares	% of Holding
<b>As at March 31, 2024</b>		
Mafatlal Impex Private Limited	13,036,149	26.30%
Life Insurance Corporation of India	4,448,258	8.97%
<b>As at March 31, 2023</b>		
Mafatlal Impex Private Limited	11,407,420	23.01%

#### (e) Details of shareholding of promoters:

##### Shareholding of promoters as on March 31, 2024

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	382,635	0.77	-
Vishad Padmanabh Mafatlal	714,349	1.44	-
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF 1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited **	-	-	-
Mafatlal Impex Private Limited **	13,036,149	26.30	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	121,275	0.24	-
<b>Total</b>	<b>14,279,724</b>	<b>28.80</b>	

\*Numbers are below rounding off

\*\* Mafatlal Exim Private Limited amalgamated with Mafatlal Impex Private Limited pursuant to the Scheme of Amalgamation. The effective date of the said acquisition is July 07, 2023 i.e. date of filing of order of Hon. NCLT, Mumbai Bench with the Registrar of Companies, Maharashtra (Mumbai).

##### Shareholding of promoters as on March 31, 2023

Particulars	Number of shares	% of total number of shares	% of change during the year
Vishad Mafatlal as Trustee of Vishad P Mafatlal Family Trust No. 1	382,635	0.77	-
Vishad Padmanabh Mafatlal	714,349	1.44	(38.12)%
Padmanabh Arvind Mafatlal (HUF)	14,550	0.03	-
Vishad P. Mafatlal Pam HUF 1 P Mafatlal	4,550	0.01	-
Rupal Vishad Mafatlal	101	*	-
Chetna Padmanabh Mafatlal	1,015	*	-
Terebinth Ventures Private Limited (formerly known as Anshi Ventures Private Limited)	100	*	-
Pamil Investments Pvt Ltd	5,000	0.01	-
Mafatlal Exim Private Limited	1,628,729	3.29	-

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 22. EQUITY SHARE CAPITAL (contd.)

Particulars	Number of shares	% of total number of shares	% of change during the year
Mafatlal Impex Private Limited	11,407,420	23.01	-
Vishad Padmanabh Mafatlal Public Charitable Trust No. 1	121,275	0.24	-
<b>Total</b>	<b>14,279,724</b>	<b>28.80</b>	

\*Numbers are below rounding off

#### (f) Calls unpaid (by other than officers and directors)

Particulars	No. of shares	Amount
<b>As at March 31, 2024</b>		
Equity shares of ₹2 each, ₹1 called up but unpaid	8,920	*
<b>As at March 31, 2023</b>		
Equity shares of ₹2 each, ₹1 called up but unpaid	8,920	*

\*Numbers are below rounding off

- (g) Out of the rights issue made in 2004-05, 109 equity shares could not be offered on rights basis due to the non-availability of details of beneficial holders from depositories. The same are kept in abeyance.

### 23. OTHER EQUITY

#### 23A RESERVES AND SURPLUS

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	27.27	27.18
General Reserve	73.33	73.33
Share Options Outstanding Account	19.09	17.62
Retained Earnings	2,096.65	1,901.05
<b>Total</b>	<b>2,216.34</b>	<b>2,019.18</b>

#### (i) Securities Premium

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	27.18	25.48
Add: Received during the year on shares issued on exercise of employee stock options during the year	0.09	1.70
<b>Closing Balance</b>	<b>27.27</b>	<b>27.18</b>

#### (ii) General Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	73.33	73.33
<b>Closing Balance</b>	<b>73.33</b>	<b>73.33</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 23. OTHER EQUITY (contd.)

#### (iii) Share Options Outstanding Account

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	17.62	1.30
Employee stock option expense (Net)	1.47	16.32
<b>Closing Balance</b>	<b>19.09</b>	<b>17.62</b>

#### (iv) Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,901.05	1,579.62
Add: Profit for the year	270.50	375.19
Less:		
Other comprehensive income for the year, net of income tax	(0.54)	0.77
Dividends (including tax)	(74.36)	(54.52)
<b>Closing Balance</b>	<b>2,096.65</b>	<b>1,901.05</b>

#### Description of Reserves

**Securities premium** - The Securities Premium was created on issue of shares at a premium. The reserve is utilised in accordance with the provisions of the Act.

**General Reserve** - The general reserve comprises of transfer of profits from retained earnings for appropriation purpose. The reserve can be distributed/utilised by the Company in accordance with the provisions of the Act.

**Share options outstanding account** - The employee stock options outstanding represents reserve in respect of equity settled share options granted to the Group's employees in pursuance of the employee stock option plan.

**Retained earnings** - This represent the amount of accumulated earnings of the Company.

#### 23B OTHER RESERVES

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve no.1	80.35	80.35
Capital Reserve no.2	70.35	70.35
Capital redemption reserve	0.34	0.34
Call in arrears/share options pending for allotment	0.01	0.01
Foreign currency translation reserve	5.37	4.81
<b>Total</b>	<b>156.42</b>	<b>155.86</b>

#### (i) Capital Reserve no.1

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	80.35	80.35
<b>Closing Balance</b>	<b>80.35</b>	<b>80.35</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 23. OTHER EQUITY (contd.)

#### (ii) Capital Reserve no.2

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	70.35	70.35
<b>Closing Balance</b>	<b>70.35</b>	<b>70.35</b>

#### (iii) Capital Redemption Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.34	0.34
<b>Closing Balance</b>	<b>0.34</b>	<b>0.34</b>

#### (iv) Call in arrears / share options pending for allotment

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.01	0.01
<b>Closing Balance</b>	<b>0.01</b>	<b>0.01</b>

#### (v) Foreign currency translation reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	4.81	3.54
Add: Changes in foreign currency translation reserve	0.56	1.27
<b>Closing Balance</b>	<b>5.37</b>	<b>4.81</b>

#### Description of reserves

**Capital Reserve no. 1** - Capital reserve no. 1 was created for excess of assets over liabilities and reserves taken over pursuant to the scheme of demerger of chemical business of Mafatlal Industries Limited.

**Capital Reserve no. 2** - Capital reserve no. 2 was created for compensation received pursuant to the Montreal Protocol for phasing out production of ozone depleting substances.

**Capital redemption reserve** - Capital redemption reserve was created out of the general reserve during the buy back of equity shares and it is a non-distributable reserves.

**Foreign currency translation reserve** - Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 24. BORROWINGS

Particulars	Non- Current As at March 31, 2024	Current As at March 31, 2024	Non- Current As at March 31, 2023	Current As at March 31, 2023
<b>Secured *</b>				
Term Loan from banks (refer note a)	1,022.86	-	753.13	-
Cash Credit (refer note b)	-	117.01	-	81.95
Working Capital Loan from banks (refer note b)	-	88.95	-	13.57
Current maturities of long term borrowings	-	111.12	-	-
<b>Total</b>	<b>1,022.86</b>	<b>317.08</b>	<b>753.13</b>	<b>95.52</b>

\* interest accrued on borrowings are included in the respective amounts.

#### Terms of Borrowings:

##### a. Term Loan from banks

- The term Loan carries interest rate of 8.23% - 8.86% (Previous year: 5.55% - 8.92%). Interest rate is derived from base rate/ 3m TBill plus spread.
- Axis Bank Term loan of ₹195 cr is repayable in 17 quarterly installments after 30 months of disbursement. The other term loans are repayable in 16 quarterly installment after 24 months of disbursement.
- The loan is secured by way of:
  - Unconditional and irrevocable corporate guarantee from Holding Company.
  - First pari passu charge on fixed assets of Navin Fluorine Advanced Sciences Limited both present and future.
  - Second pari passu charge on current assets of Navin Fluorine Advanced Sciences Limited both present and future.

##### b. Cash Credit and Working Capital Loans

- The Cash credit, Working capital loans, Buyers credit and Packing credit in Foreign currency carry interest rate of 4.95% - 9.40% (Previous year: 7.50% - 8.50%). Interest rate is derived from base rate/ Tbill/ MCLR / SOFR / EURIBOR plus margin.
- Cash credit and Working capital loan is repayable on demand
- The loan is secured by way of:
  - Unconditional and irrevocable corporate guarantee from Holding Company.
  - First pari passu charge on current assets of the Group both present and future.
  - Second pari passu charge on fixed assets of the Group both present and future, excluding land at Dewas.

##### c. Net debt reconciliation:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	6.64	14.47
Liquid Investments	486.03	32.17
Lease Liabilities	(28.52)	(12.15)
Borrowings	(1,339.94)	(848.65)
<b>Total</b>	<b>(875.79)</b>	<b>(814.16)</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 24. BORROWINGS (contd.)

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investments	Lease Liabilities	Borrowings	
<b>Net debt as at March 31, 2022</b>	<b>75.74</b>	<b>104.19</b>	<b>(16.35)</b>	<b>(104.47)</b>	<b>59.11</b>
Cash flows	(61.27)	(72.53)	5.67	(741.61)	(869.74)
New leases	-	-	(1.47)	-	(1.47)
Interest expense	-	-	(0.95)	(14.54)	(15.49)
Interest paid	-	-	0.95	11.97	12.92
Fair value adjustments	-	0.51	-	-	0.51
<b>Net debt as at March 31, 2023</b>	<b>14.47</b>	<b>32.17</b>	<b>(12.15)</b>	<b>(848.65)</b>	<b>(814.16)</b>
Cash flows	(7.83)	442.91	6.60	(492.09)	(50.41)
New leases	-	-	(22.97)	-	(22.97)
Interest expense	-	-	(1.70)	(64.47)	(66.17)
Interest paid	-	-	1.70	65.27	66.97
Fair value adjustments	-	10.95	-	-	10.95
<b>Net debt as at March 31, 2024</b>	<b>6.64</b>	<b>486.03</b>	<b>(28.52)</b>	<b>(1,339.94)</b>	<b>(875.79)</b>

### 25. LEASE LIABILITIES (NON CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	17.30	6.42
<b>Total</b>	<b>17.30</b>	<b>6.42</b>

The total expenses related to short term lease (included in other expenses) was ₹0.11 crores (March 31, 2023 : ₹0.52 crores)

### 26. PROVISIONS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences (refer note 46.3)	18.49	15.09
<b>Total</b>	<b>18.49</b>	<b>15.09</b>

### 27. DEFERRED TAX LIABILITIES - (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	112.94	65.48
Less: deferred tax assets	(48.61)	(30.74)
<b>Total Deferred Tax Liabilities (Net)</b>	<b>64.33</b>	<b>34.75</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 27. DEFERRED TAX LIABILITIES - (NET) (contd.)

#### 27.1 Movement of Deferred Tax

##### (i) Deferred tax assets/ liabilities in relation to the year ended March 31, 2024

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to:</b>				
Property, plant and equipment and intangible assets	57.80	43.72	-	101.52
Right-of-use assets	3.42	1.77	-	5.19
Financial asset measured at FVTPL	1.23	1.85	-	3.08
On undistributed profit	2.84	(0.01)	-	2.83
Foreign Currency translation reserve	0.24	-	-	0.24
Others	(0.05)	0.13	-	0.08
<b>Total deferred tax liabilities</b>	<b>65.48</b>	<b>47.46</b>	<b>-</b>	<b>112.94</b>
<b>Deferred tax assets in relation to:</b>				
Indexation benefit on Investment properties	17.66	1.38	-	19.04
Fair Valuation of loan to wholly owned subsidiary	(0.73)	0.01	-	(0.72)
Provision for Compensated Absences	2.91	0.98	-	3.89
Provision for Gratuity	0.72	(0.44)	(0.22)	0.06
Provision for doubtful debts	1.11	0.13	-	1.24
Preliminary expenses u/s. 35D	0.23	(0.11)	-	0.12
Lease Liabilities	4.17	1.85	-	6.02
Others	4.67	14.33	(0.04)	18.96
<b>Total deferred tax assets</b>	<b>30.74</b>	<b>18.13</b>	<b>(0.26)</b>	<b>48.61</b>
<b>Total deferred tax liabilities/(deferred tax assets) (A - B)</b>	<b>34.75</b>	<b>29.33</b>	<b>0.26</b>	<b>64.33</b>

##### (ii) Deferred tax assets/ liabilities in relation to the year ended March 31, 2023

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to:</b>				
Property, plant and equipment and intangible assets	38.93	18.87	-	57.80
Right-of-use assets	4.00	(0.58)	-	3.42
Financial asset measured at FVTPL	0.71	0.52	-	1.23
On undistributed profit	2.84	-	-	2.84
Foreign Currency translation reserve	0.24	-	-	0.24
Others	(0.14)	0.09	-	(0.05)
<b>Total deferred tax liabilities</b>	<b>46.58</b>	<b>18.90</b>	<b>-</b>	<b>65.48</b>
<b>Deferred tax assets in relation to:</b>				
Indexation benefit on Investment properties	16.31	1.35	-	17.66

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 27. DEFERRED TAX LIABILITIES - (NET) (contd.)

Particulars	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance
Fair Valuation of loan to wholly owned subsidiary	(0.58)	(0.15)	-	(0.73)
Provision for Compensated Absences	1.99	0.93	-	2.91
Provision for Gratuity	0.36	0.36	-	0.72
Provision for doubtful debts	0.53	0.58	-	1.11
Preliminary expenses u/s. 35D	0.33	(0.10)	-	0.23
Lease Liabilities	4.39	(0.22)	-	4.17
Capital losses	0.16	(0.16)	-	-
Others	2.95	1.72	-	4.67
<b>Total deferred tax assets</b>	<b>26.44</b>	<b>4.31</b>	-	<b>30.74</b>
<b>Total deferred tax liabilities/(deferred tax assets) (A - B)</b>	<b>20.14</b>	<b>14.59</b>	-	<b>34.75</b>

### 28. OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Liability against project contracts (refer note 53)	13.35	13.35
Deferred Government Grant	0.10	0.12
<b>Total</b>	<b>13.45</b>	<b>13.47</b>

### 29 LEASE LIABILITIES (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	11.22	5.73
<b>Total</b>	<b>11.22</b>	<b>5.73</b>

### 30 TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	44.13	40.63
Total outstanding dues other than above	258.37	202.85
<b>Total</b>	<b>302.50</b>	<b>243.48</b>

The Group participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables / other financial liabilities enabling suppliers to take early payment by selling their receivables from the Group.

The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Group therefore discloses such amounts within trade payables / other financial liabilities because the nature and function of the financial liability remains same.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 30 TRADE PAYABLES (contd.)

#### Ageing of Trade Payables:

Particulars	As at March 31, 2024						
	Outstanding for following periods from the due date						
	Unbilled	Not Due	Less than 1 Year	1 - 2 years	2-3 years	More than 3 years	Total
<b>Undisputed trade Payables</b>							
a) Micro enterprises and small enterprises	0.19	26.24	17.70	-	-	-	44.13
b) Others	28.21	26.52	197.44	3.87	0.86	1.47	258.37
<b>Total Undisputed Trade Payables</b>	<b>28.40</b>	<b>52.76</b>	<b>215.14</b>	<b>3.87</b>	<b>0.86</b>	<b>1.47</b>	<b>302.50</b>
<b>Disputed trade Payables</b>							
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
<b>Total disputed Trade Payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Payables</b>	<b>28.40</b>	<b>52.76</b>	<b>215.14</b>	<b>3.87</b>	<b>0.86</b>	<b>1.47</b>	<b>302.50</b>

#### Ageing of Trade Payables:

Particulars	As at March 31, 2023						
	Outstanding for following periods from the due date						
	Unbilled	Not Due	Less than 1 Year	1 - 2 years	2-3 years	More than 3 years	Total
<b>Undisputed trade Payables</b>							
a) Micro enterprises and small enterprises	0.92	26.67	13.04	-	-	-	40.63
b) Others	60.24	127.36	14.54	0.12	0.24	0.35	202.85
<b>Total Undisputed Trade Payables</b>	<b>61.16</b>	<b>154.03</b>	<b>27.58</b>	<b>0.12</b>	<b>0.24</b>	<b>0.35</b>	<b>243.48</b>
<b>Disputed trade Payables</b>							
a) Micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
<b>Total disputed Trade Payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trade Payables</b>	<b>61.16</b>	<b>154.03</b>	<b>27.58</b>	<b>0.12</b>	<b>0.24</b>	<b>0.35</b>	<b>243.48</b>

### 31. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividends*	4.74	4.88
Unpaid money on buy-back of shares	-	0.01
Unclaimed matured debentures and interest accrued thereon	0.34	0.35
Derivative liability - Foreign exchange contract	0.61	0.40
Capital Creditors	67.40	84.17
Security Deposits received	10.78	11.36
Others	0.05	0.06
<b>Total</b>	<b>83.92</b>	<b>101.23</b>

\* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.



## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 32. PROVISIONS (CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences (refer note 46.3)	5.33	4.64
Gratuity Payable (refer note 46.2)	6.79	3.32
<b>Total</b>	<b>12.12</b>	<b>7.96</b>

### 33. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers (refer note 54)	12.53	11.90
Statutory dues	10.20	10.90
Deferred Government Grant	0.02	0.02
Payables to Employees	17.44	30.74
Others	0.07	0.39
<b>Total</b>	<b>40.26</b>	<b>53.95</b>

### 34. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products	2,024.70	2,037.73
Sale of services	23.58	27.65
Other operating revenues		
- Scrap Sales/others	6.22	4.71
- Export Incentives	10.51	7.31
<b>Total</b>	<b>2,065.01</b>	<b>2,077.40</b>

#### Note:

- a) The group is primarily engaged in the business of manufacture and sale of fluorine chemistry products and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.
- b) Includes sale of products associated under a dedicated supply contract meeting the criteria of operating lease under Ind AS 116. Estimated operating lease income under Ind AS 116 is ₹50.50 crores (March 31, 2023: ₹45.78 crores).
- c) Contract liabilities

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract liabilities	90.02	5.38
<b>Total</b>	<b>90.02</b>	<b>5.38</b>

- d) Management expects that 20.73% of the contract liabilities as of March 31, 2024 will be recognised as revenue during the next reporting period (₹18.66 crores). The remaining 79.27% (₹71.36 crores) will be recognised in the financial year 2025-26 onwards.

## Notes Forming Part of the Consolidated Financial Statements

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Amount ₹ in crores unless otherwise stated

### 34. REVENUE FROM OPERATIONS (contd.)

- e) Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract price	2,024.87	2,032.87
Adjustments for:		
- Contract liabilities	(10.36)	(1.25)
<b>Revenue from operations</b>	<b>2,014.51</b>	<b>2,031.62</b>

- f) Revenue recognised in relation to contract liabilities:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the period	5.38	1.25

### 35. OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income		
- on banks deposits	0.74	0.92
- on income tax refund	17.98	0.93
- on loans and advances	2.52	2.10
- others	-	0.01
- on investments in Mutual Fund/Shares	0.03	0.03
Lease rental income on investment properties (refer note 6)	13.17	14.45
Other gains and losses		
- Gain on disposal of property, plant and equipment	-	2.00
- Net gain arising on financial assets mandatorily measured at FVTPL	10.95	0.97
- Excess provision/ liabilities written back (Net)	0.01	0.50
- Net gain arising on sale of Investment in Equity instruments	0.95	-
- Net gain arising on sale of Investment in Mutual funds	4.39	9.04
- Net gain on foreign currency transactions	1.83	3.10
- Miscellaneous Income	3.28	1.68
<b>Total</b>	<b>55.85</b>	<b>35.73</b>

### 36. COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material consumed	869.47	876.37
Packing material consumed	32.81	29.35
<b>Total</b>	<b>902.28</b>	<b>905.72</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 37. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished goods	68.39	58.29
Work-in-progress	48.54	58.80
Stock-in-trade	-	22.57
	<b>116.93</b>	<b>139.66</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	58.29	45.22
Work-in-progress	58.80	38.82
Stock-in-trade	22.57	25.60
	<b>139.66</b>	<b>109.64</b>
	<b>22.73</b>	<b>(30.02)</b>
Add/(Less): Foreign currency translation adjustments	(0.99)	(0.65)
<b>Total changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>23.72</b>	<b>(29.37)</b>

### 38. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and bonus	253.68	211.80
Contribution to provident and other funds (refer note 46.1 and 46.2)	12.37	8.61
Employee share-based payment expense (refer note 48)	1.47	16.79
Staff Welfare Expenses	13.49	8.21
Gratuity expenses (refer note 46.2)	4.83	4.00
<b>Total</b>	<b>285.84</b>	<b>249.41</b>

### 39. FINANCE COSTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings	62.47	19.31
Interest on lease liabilities	1.68	0.95
Interest on others	10.41	7.26
<b>Total</b>	<b>74.56</b>	<b>27.52</b>

### 40. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 5A)	86.86	55.35
Depreciation on Right-of-use assets (refer note 5B)	7.63	5.89
Depreciation on investment properties (refer note 6)	1.14	1.13
Amortisation of intangible assets (refer note 7)	0.53	0.27
<b>Total</b>	<b>96.16</b>	<b>62.64</b>

## Notes Forming Part of the Consolidated Financial Statements

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Amount ₹ in crores unless otherwise stated

### 41. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	149.82	134.54
Rent expense (refer note 45)	1.26	0.93
Repairs and Maintenance		
- Plant and Machinery	17.13	12.84
- Buildings	1.49	1.43
Consumption of stores and spares	59.78	47.90
Transport and freight charges (Net)	43.15	43.07
Labor contract charges	27.27	31.17
Property maintenance expenses	0.07	0.08
Legal and Professional Charges (refer note 41.1)	18.15	17.63
Rates & Taxes	8.17	7.40
Insurance	13.46	8.19
Directors Sitting Fees	0.95	0.50
Loss on Sale/ retirement of property, plant & equipment	0.89	0.03
Net loss / (gain) on foreign currency transactions	0.70	0.26
Provision for doubtful debts / advances (Net)	0.81	2.03
Expenditure on Corporate Social Responsibility (refer note 41.2)	7.99	6.15
Miscellaneous expenses	94.37	67.52
<b>Total</b>	<b>445.46</b>	<b>381.67</b>

#### 41.1 Payment to auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors		
a) Statutory audit	0.62	0.47
b) Other audit services	0.30	0.27
c) Re-imbursment of expenses	0.02	0.01
<b>Total</b>	<b>0.94</b>	<b>0.75</b>

#### 41.2 Corporate Social Responsibility

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the company during the year	7.85	6.14
b) Amount spent during the year on:	7.99	6.15
	<b>In cash</b>	<b>Yet to be paid in cash</b>

#### For the year March 31, 2024

i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	7.99	-

#### For the year March 31, 2023

i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	6.15	-

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 42. INCOME TAXES

#### Income tax expenses recognised

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
In respect of the current year		
- Current tax recognised in Statement of Profit and Loss	61.79	106.10
- Excess provision of tax for earlier years	(26.09)	-
- Deferred tax	29.33	14.59
	<b>65.03</b>	<b>120.69</b>
In respect of the current year		
- Current tax recognised in other comprehensive income	(0.31)	0.26
	<b>(0.31)</b>	<b>0.26</b>
<b>Total income tax expense recognised in the current year</b>	<b>64.72</b>	<b>120.95</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Profit before tax</b>	<b>335.54</b>	<b>495.88</b>
Income tax expense	81.11	120.75
<b>Effect of:</b>		
- Income exempt from tax	-	(0.12)
- Adjustments for current tax of prior period	(26.09)	-
- Expenses that are not deductible in determining taxable profits	2.82	1.67
- Tax concessions availed	(0.33)	(2.89)
- Tax on income at rates different from statutory income tax rate	(4.21)	(0.05)
- Tax rate difference on indexation items	(0.43)	-
- Ind AS Adjustments	(2.26)	-
- Adjustments pertaining to prior years	12.49	-
- Deductible temporary differences on account of indexation benefits	1.91	1.41
- Others	0.02	(0.08)
<b>Income tax expense recognised in Consolidated Statement of Profit and loss</b>	<b>65.03</b>	<b>120.69</b>

### 43. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. Chairman and Managing Director of the Group are the chief operating decision makers. The Group operates only in one Business Segment i.e. 'Chemical Business' which constitutes a single reporting segment.

(i) The Group has two geographical segments based upon location of its customers - within and outside India:

Particulars	As at and for the year ended			As at and for the year ended		
	March 31, 2024			March 31, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenues *	720.50	1,344.51	2,065.01	699.07	1,378.33	2,077.40
Carrying cost of non current assets@	2,779.65	11.78	2,791.43	2,096.16	7.87	2,104.03
Cost incurred on acquisition of property, plant and equipment	735.50	0.07	735.57	689.29	-	689.29

\* Timing of revenue recognition is at a point in time.

@ Excluding financial assets.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 43. SEGMENT INFORMATION (contd.)

(ii) Revenue from customers of the Group which is individually more than 10 percent of the Group's total revenue:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Customer A	431.07	423.81
Customer B	227.30	213.60

### 44. EARNING PER SHARE

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to equity shareholders - (₹ in Crores) - <b>A</b>	270.50	375.18
Weighted average number of equity shares outstanding during the year - <b>B</b>	49,572,078	49,558,378
<b>Effect of Dilution :</b>		
Weighted average number of ESOP shares outstanding	70,239	173,700
Weighted average number of Equity shares adjusted for the effect of dilution - <b>C</b>	49,642,317	49,732,078
Basic earnings per share - ₹(A/B)	54.57	75.70
Diluted earnings per share - ₹(A/C)	54.49	75.44
Nominal value per share - ₹	2.00	2.00

### 45. LEASING ARRANGEMENT

The Group has taken office, residential premises and vehicles under operating lease or leave and license agreements. These are generally cancellable in nature and range between 11 months to 60 months. These leave and license agreements are generally renewable or cancelable at the option of the Group or the lessor. The lease payment recognised in the Consolidated Statement of Profit and Loss is ₹1.26 Crores (March 31, 2023: ₹0.93 Crores). From April 01, 2019 the Group has recognised right of use assets for these leases, except short term leases. Refer note 5B for further information.

### 46. EMPLOYEE BENEFIT PLANS

#### 46.1 Defined Contribution Plan

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	6.82	5.18
Contribution to Family Pension Fund	2.07	1.63
Contribution to NPS	1.61	-
Contribution to Superannuation Fund	1.73	1.69
Contribution to Employees' State Insurance Scheme	0.01	0.01
Contribution to Employees' Deposits Linked Insurance Scheme	0.13	0.10
<b>Total</b>	<b>12.37</b>	<b>8.61</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 46. EMPLOYEE BENEFIT PLANS (contd.)

#### 46.2 Defined Benefit Plans

##### (i) Gratuity (Funded)

The Group sponsors funded defined benefit gratuity plan for all eligible employees of the Group except for certain employees. The Group's defined benefit gratuity plan requires contributions to be made to a separately administered trust. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Group makes provision for gratuity fund based on an actuarial valuation carried out at the end of the year using 'projected unit credit' method.

##### (a) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (gratuity) is as follows:

###### Balances of defined benefit plan

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(38.33)	(33.54)
Fair value of plan assets	31.54	30.22
Net (liability)/asset arising from gratuity	(6.79)	(3.32)

##### (b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities:

Following is the amount recognised in Consolidated Statement of Profit and Loss, other comprehensive income, movement in defined benefit liability (i.e. gratuity) and movement in plan assets:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Components of expense recognised in the Consolidated Statement of Profit and Loss</b>		
Current service cost	4.70	4.14
Net interest expenses	0.24	0.14
<b>Total (A)</b>	<b>4.94</b>	<b>4.28</b>
<b>B. Components of defined benefit costs recognised in other Comprehensive Income</b>		
- Return on plan assets (excluding amounts included in net interest expense)	(0.30)	(0.32)
- Actuarial gains and losses arising from changes in demographic assumptions	(1.34)	(1.53)
- Actuarial gains and losses arising from changes in financial assumptions	0.24	(0.63)
- Actuarial gains and losses arising from experience adjustments	2.25	1.45
<b>Total (B)</b>	<b>0.85</b>	<b>(1.03)</b>
<b>C. Movements in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	33.54	30.15
Current service cost	4.70	4.14
Interest cost	2.41	2.04
Liabilities assumed for employee transferred to/from other entity	-	-
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	(1.34)	(1.53)

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 46. EMPLOYEE BENEFIT PLANS (contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Actuarial gains and losses arising from changes in financial assumptions	0.24	(0.63)
- Actuarial gains and losses arising from experience adjustments	2.24	1.45
Benefits paid	(3.46)	(2.08)
<b>Closing defined benefit obligation (C)</b>	<b>38.33</b>	<b>33.54</b>
<b>D. Movements in the fair value of the plan assets</b>		
Opening fair value of plan assets	30.22	28.24
Interest income	2.17	1.91
Remeasurement gain/(loss):		
- Return on plan assets (excluding interest income)	0.30	0.32
Contributions by employer	2.31	1.83
Benefits paid	(3.46)	(2.08)
<b>Closing fair value of plan assets (D)</b>	<b>31.54</b>	<b>30.22</b>

##### (c) Principal assumptions

The principal assumptions used for the purposes of the actuarial valuations of gratuity liability were as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
1. Discount rate	7.17%	7.50% / 7.30%
2. Salary escalation	10%	10%
3. Mortality rate	Indian Assured Lives Mortality 2012 - 14 (Urban)	Indian Assured Lives Mortality 2012 - 14 (Urban)
4. Attrition rate	15%	2% / 15%

##### (d) The expected contribution to the plan for the next financial year is ₹4.81 Crores (Previous Year: ₹4.58 Crores)

##### (e) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Central Government of India	38.76%	39.71%
State Government Securities	0.00%	0.00%
Special Deposits Scheme	8.03%	9.14%
Debt Instruments/Corp Bonds	53.21%	51.15%

##### (f) The weighted average duration of the defined benefit obligation is 7 years (March 31, 2023: 7 years). The expected maturity analysis of gratuity is as follows:

Particulars	Within 1 year	1-5 years	Above 5 years
As at March 31, 2024	7.61	19.72	28.88
As at March 31, 2023	7.23	15.25	30.61

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Amount ₹ in crores unless otherwise stated

### 46. EMPLOYEE BENEFIT PLANS (contd.)

#### (g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase and attrition rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while all other assumptions constant. Following is the impact of changes in assumption in defined benefit obligation of gratuity:

Increase/ (decrease) in assumptions	As at March 31, 2024	As at March 31, 2023
Impact of discount rate for 50 basis points increase	(0.80)	(0.74)
Impact of discount rate for 50 basis points decrease	0.84	0.79
Impact of salary escalation rate for 50 basis points increase	0.81	0.76
Impact of salary escalation rate for 50 basis points decrease	(6.68)	(0.73)
Impact of attrition rate for 50 basis points increase	(0.21)	(0.19)
Impact of attrition rate for 50 basis points decrease	0.21	0.20

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

#### (ii) Provident fund (funded)

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund for all employees, are charged to the Consolidated Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Group. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

#### (a) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (trust managed provident fund) is as follows:

##### Balances of defined benefit plan

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(67.14)	(54.33)
Fair value of plan assets	68.01	55.76
Net Assets/(Liabilities)*	-	-

\*Excess of fair value of plan assets over present value of funded defined benefit obligation has not been recognised.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 46. EMPLOYEE BENEFIT PLANS (contd.)

#### (b) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in Consolidated Statement of Profit and Loss, movement in defined benefit liability (i.e. provident fund) and movement in plan assets:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Components of expense recognised in the Consolidated Statement of Profit and Loss</b>		
Current service cost	4.15	3.56
Expected Return on plan assets	(4.65)	(3.71)
Net interest expenses	4.65	3.71
<b>Total (A)</b>	<b>4.15</b>	<b>3.56</b>
<b>B. Movements in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	54.33	45.41
Opening balance adjustment	0.03	0.84
Current service cost	4.15	3.56
Interest cost	4.65	3.71
Employee Contribution	6.27	5.58
Liabilities assumed for employee transferred from other entity	3.18	0.31
Benefits paid	(5.47)	(3.72)
Balance not recognized in Income statement	-	(1.36)
<b>Closing defined benefit obligation (B)</b>	<b>67.14</b>	<b>54.33</b>
<b>C. Movements in the fair value of the plan assets</b>		
Opening fair value of plan assets	55.76	45.41
Remeasurement gain/(loss):	(0.54)	0.91
Expected Return on plan assets	4.65	3.71
Contributions	10.42	9.14
Asset transferred in for employee transferred from other entity	3.18	0.31
Benefits paid	(5.46)	(3.72)
<b>Closing fair value of plan assets (C)</b>	<b>68.01</b>	<b>55.76</b>

#### (c) Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Central Government of India	13.20%	14.07%
State Government Securities	33.33%	32.62%
Special Deposits Scheme	16.42%	19.36%
Public Sector Units	31.08%	28.14%
Others	5.97%	5.80%

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Amount ₹ in crores unless otherwise stated

### 46. EMPLOYEE BENEFIT PLANS (contd.)

#### (iii) Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

**Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

**Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

### 46.3 Other Long term Employee Benefits:

The liability for Compensated absences as determined by Independent actuary as at the balance sheet date is ₹23.82 Crores (March 31, 2023: ₹19.73 Crores).

## 47. FINANCIAL INSTRUMENTS AND RISK REVIEW

### 47.1 Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return to shareholders the capital or issue new shares or take such appropriate action as may be needed. The Group considers total equity reported in the financial statements to be managed as part of capital.

The Group has Net Debt (Net debt includes interest bearing borrowings and lease liabilities less cash and cash equivalents and liquid investments) as mentioned below:

Particulars	As at March 31, 2024	As at March 31, 2023
Net Debt	875.79	814.16
Total equity	2,382.67	2,184.95
Net debt to equity ratio	36.76%	37.26%

The net debt to equity ratio for the current year reduced by 0.50% to 36.76% as a result of increase in total equity.

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Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

#### Loan covenants:

The below financial covenants shall be tested by bank on annual basis starting from F.Y. 2023-24 onwards, based on audited financial statements of the Group:

- Debt service Coverage ratio (Group):** not below 1.30 times
- Current ratio (Group):** not below 1.30 times
- Fixed Asset Coverage Ratio (NFASL):** Not below 1.5 times
- Net Debt / EBITDA (Group):** Not to exceed 3 times

The group has complied with these covenants throughout the reporting period.

### 47.2 Fair value measurements

#### (i) Categories of financial instruments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
<b>Measured at Amortised Cost</b>		
– Cash and Bank Balances	27.54	34.81
– Investments	1.85	2.77
– Trade receivables	512.51	561.52
– Loans	0.86	0.32
– Other financial assets	41.42	35.32
<b>Measured at fair value through profit and loss (FVTPL)</b>		
(a) mandatorily measured		
– Equity instruments	6.10	5.92
– Investments in mutual funds / Other funds	486.13	34.37
– Derivative assets	0.14	0.32
<b>Measured at Amortised Cost</b>		
– Borrowing	1,339.94	848.65
– Lease liabilities	28.52	12.15
– Trade payable	302.50	243.48
– Other financial liabilities	83.31	100.83
<b>Measured at fair value through profit and loss (FVTPL)</b>		
– Derivative liability	0.61	0.40

## Notes Forming Part of the Consolidated Financial Statements

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Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

#### (ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2024</b>				
<b>Financial assets</b>				
- Investments in equity instruments	2.74	-	3.36	6.10
- Investments in mutual funds/other funds	481.44	-	4.69	486.13
- Derivative assets	-	0.14	-	0.14
<b>Financial liabilities</b>				
- Derivative liability	-	0.61	-	0.61

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>				
Financial assets				
- Investments in equity instruments	2.27	-	3.65	5.92
- Investments in mutual funds/other funds	27.13	-	7.24	34.37
- Derivative assets	-	0.32	-	0.32
<b>Financial liabilities</b>				
- Derivative liability	-	0.40	-	0.40

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3.

#### (iii) Valuation technique used to determine fair value

- The fair value of the unquoted investments is determined using quoted bid prices in an active market.
- The fair value of the unquoted investments is determined using the inputs other than quoted prices included in level 1 that are observable for assets and liabilities.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

- Group has made investments in 'Ask Real Estate Special Situation Fund'. The Fund invests primarily in special purpose vehicles and companies of special purpose vehicles that undertake residential and mixed use real estate developments with a significant residential component. The Valuation methodology used shall depend on the type of property and market conditions and stage of development reached in the invested project. The suitability of a particular method of valuation is decided based on the below criteria:

- For undeveloped properties: Sales / Market Comparison Method benchmarked by Discounted Cash Flow Method
- For semi developed properties / properties under development: Weighted average of Discounted Cash Flow Method and Replacement Cost Method
- For completed properties, leased property or ready for sale properties: Capitalization of Rental Method or Market Comparison Method

#### (iv) Fair value of Financial assets and liabilities measured at amortised cost

The carrying amounts of cash and cash equivalents, trade receivables, receivables from related parties and trade payables are considered to be the same as their fair values due to their short-term nature. Fair value of security deposits approximates the carrying value.

### 47.3 Financial risk management objectives

The Group's activities exposes it to a variety of financial risks including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of financial risks on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

### 47.4 Market Risks

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and other price risk. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

#### a. Foreign exchange risk

##### (i) Exposure to foreign exchange risk:

The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency of the entity in the Group. The risk also includes highly probable foreign currency cash flows.

The Group has exposure arising out of export, import and other transactions other than functional risks. The Group hedges its foreign exchange risk using foreign exchange forward contracts. The same is within the guidelines laid down by Risk Management Policy of the Group.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

#### (ii) Foreign exchange risk management:

To manage the foreign exchange risk arising from recognized assets and liabilities, Group use spot transactions, foreign exchange forward contracts, according to the Group's foreign exchange risk policy. Group's treasury is responsible for managing the net position in each foreign currency and for putting in place the appropriate hedging actions. The Group's foreign exchange risk management policy is to selectively hedge net transaction exposures in major foreign currencies.

The carrying amounts of the Group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	(₹ in crores)	(Foreign Currency In crores)	(₹ in crores)	(Foreign Currency In crores)
<b>Amount receivable</b>				
USD	196.19	2.35	170.54	2.08
GBP	-	*	0.07	*
<b>Amount payable</b>				
USD	8.94	0.10	41.80	0.51
GBP	0.29	-	-	-

\*Numbers are below rounding off

#### (iii) Foreign exchange risk sensitivity:

3% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 3% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analyze of change in profit where the Indian Rupee strengthens and weakens by 3% against the relevant currency:

Foreign currency	For year ended March 31, 2024		For year ended March 31, 2023	
	3% strengthen	3% weakening	3% strengthen	3% weakening
USD	5.62	(5.62)	3.86	(3.86)
GBP	(0.01)	0.01	*	*

\* Numbers are below rounding off

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

#### (iv) Forward foreign exchange contracts

The following table contain the details of forward foreign currency contracts outstanding at the end of the reporting period:

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

Currency	Exposure to buy / sell	As at the year end	
		₹ in crores	Foreign Currency in crores
<b>US Dollars</b>			
March 31, 2024	sell	137.81	1.65
March 31, 2023	sell	239.47	2.91
<b>EURO</b>			
March 31, 2024	sell	8.99	0.10
March 31, 2023	sell	1.81	0.02
<b>GBP</b>			
March 31, 2024	sell	-	-
March 31, 2023	sell	0.28	*
<b>US Dollars</b>			
March 31, 2024	buy	115.42	1.39
March 31, 2023	buy	23.92	0.29
<b>EURO</b>			
March 31, 2024	buy	6.38	0.06
March 31, 2023	buy	-	-

\* Numbers are below rounding off

#### b. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The group is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The group monitors fluctuations in interest rate continuously to minimise impact of interest rate risk.

(i) Exposure to interest rate risk related to borrowings with floating rate of interest.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings bearing floating rate of interest	1,339.94	848.65

(ii) Interest rate sensitivity:

A change of 50 bps in interest rates would have following Impact on profit before tax:

Particulars	As at March 31, 2024	As at March 31, 2023
50 bp increase- decrease in profits *	6.70	4.24
50 bp decrease- Increase in profits *	(6.70)	(4.24)

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

#### c. Other price risks

The Group is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.



## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

In order to manage its price risk arising from investments in equity instruments, the Group maintains its portfolio in accordance with the framework set by the Investment policy. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Management Committee.”

#### Price Risk Sensitivity Analysis:

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Group has calculated the impact as follows:

For equity instruments, a 10% increase in equity prices would have led to approximately an additional ₹0.27 crores gain in statement of profit and loss (March 31, 2023: ₹0.23 crores). A 10% decrease in equity prices would have led to an equal but opposite effect.

#### 47.5 Credit risk

##### (i) Exposures to credit risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. The credit risk arises from its operating activities (i.e. primarily trade receivables), from its investing activities including deposits with banks and financial institutions and other financial instruments.

##### (ii) Credit risk management

###### 1) Trade receivable

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹512.51 Crores (March 31, 2023: ₹561.52 Crores).

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the group customers' financial condition; ageing of trade accounts receivable and the Group's historical loss experience.

Trade receivables are written off when there is no reasonable expectation of recovery. The allowance for lifetime expected credit loss on customer balances as at March 31, 2024 was- ₹4.95 crores (March 31, 2023 - ₹4.14 crores).

Loss allowance as at March 31, 2024 was determined as follows for trade receivables under the simplified approach

As at March 31, 2024	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	453.24	43.23	4.86	0.36	6.36	0.71	8.70	517.46
Expected loss rate	-	-	-	-	-	-	(57)%	(1)%
Expected credit losses– trade receivables	-	-	-	-	-	-	(4.95)	(4.95)
Carrying amount of trade receivables (net of impairment)	<b>453.24</b>	<b>43.23</b>	<b>4.86</b>	<b>0.36</b>	<b>6.36</b>	<b>0.71</b>	<b>3.75</b>	<b>512.51</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

Loss allowance as at March 31, 2023 was determined as follows for trade receivables under the simplified approach

As at March 31, 2023	Not Due	0-30 Days Past Due	31-60 days past due	61-90 days past due	91-180 days past due	180-365 days past due	More than 365 days past due	Total
Gross carrying amount – trade receivables	510.61	23.27	7.86	2.56	12.32	4.16	4.88	565.66
Expected loss rate	-	-	-	-	-	(6)%	(80)%	(1)%
Expected credit losses– trade receivables	-	-	-	-	-	(0.26)	(3.88)	(4.14)
Carrying amount of trade receivables (net of impairment)	<b>510.61</b>	<b>23.27</b>	<b>7.86</b>	<b>2.56</b>	<b>12.32</b>	<b>3.90</b>	<b>1.00</b>	<b>561.52</b>

#### Movement in the credit loss allowance

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning		4.14
Movement in expected credit loss allowance on trade receivable calculated at lifetime expected credit losses	0.81	2.03
<b>Balance at the end</b>	<b>4.95</b>	<b>4.14</b>

##### 2) Cash and Cash Equivalent

Credit risk on cash and cash equivalents is limited as group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

##### 3) Investment in Mutual Funds

Credit risk on investments in mutual fund is limited as group invested in mutual funds issued by the financial institutions with high credit ratings assigned by credit rating agencies.

#### 47.6 Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

##### (i) Liquidity risk tables

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

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Amount ₹ in crores unless otherwise stated

### 47. FINANCIAL INSTRUMENTS AND RISK REVIEW (contd.)

#### (ii) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Carrying amount	Less than 1 year	more than 1 year	Total
<b>As at March 31, 2024</b>				
– Borrowing	1,339.94	317.08	1,022.86	1,339.94
– Trade payable	302.50	302.50	-	302.50
– Lease liabilities	28.52	11.22	17.30	28.52
– Other financial liabilities (other than derivative liabilities)	83.31	83.31	-	83.31
– Derivative liabilities	0.61	0.61	-	0.61
<b>As at March 31, 2023</b>				
– Borrowing	848.65	95.52	753.13	848.65
– Trade payable	243.48	243.48	-	243.48
– Lease liabilities	12.15	5.73	6.42	12.15
– Other financial liabilities (other than derivative liabilities)	100.83	100.83	-	100.83
– Derivative liabilities	0.40	0.40	-	0.40

### 48. SHARE BASED PAYMENTS

#### Details of the employee share based plan of the Company

Employee stock option scheme 2007 (“ESOS 2007”) - The Shareholders of the Company at their Annual General Meeting held on July 20, 2007 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2007, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2007 shall be capable of being exercisable on vesting within 10 years from grant date.

Employee stock option scheme 2017 (“ESOS 2017”) - The Shareholders of the Company at their Annual General Meeting held on June 29, 2017 had approved the issue of Stock Options to eligible employees and directors, including the Managing Director(s) and the Whole Time Director(s) but excluding the promoters or persons belonging to the promoter group of the Company and its subsidiary companies to the extent maximum of 5% of issued and paid up share capital of the Company from time to time. Each option is exercisable into one fully paid-up Equity Shares of ₹2.00 each of the Company. These options are to be issued in one or more tranches and on such terms and conditions (including exercise price, vesting period, exercise period etc.) as may be determined by the Nomination and Remuneration Committee (NRC) in accordance with the provisions of the ESOS 2017, SEBI Regulations and in compliance with other applicable laws and regulations. The stock options granted under ESOS 2017 shall be capable of being exercisable on vesting within 10 years from grant date.

## Notes Forming Part of the Consolidated Financial Statements

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Amount ₹ in crores unless otherwise stated

### 48. SHARE BASED PAYMENTS (contd.)

(i) The following share-based payment arrangements were in existence during the current and prior years under the scheme:

Scheme	Grant date	Number of Stock Options Granted	Vesting period	Exercise Price (₹)
ESOS 2007	July 28, 2007	1,11,000*	4 Years	74.84
	July 28, 2007	40,000*	4 Years	81.49
	April 28, 2014	4,33,500*	2 Years	78.00
	June 29, 2015	1,50,115*	2 Years	194.80
	October 24, 2016	56,075*	2 Years	554.40
ESOS 2017	March 19, 2018	58,830	2 Years	780.00
	May 09, 2018	725	2 Years	770.35
	January 07, 2019	14,315	2 Years	698.45
	October 19, 2022	155,000	In 4 equal tranches on October 31, 2023, April 01, 2024, April 01, 2025 and April 01, 2026	2.00
	February 05, 2024	187,500	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,326.00
February 06, 2024	40,000	In 2 equal tranches on February 28, 2025 and February 28, 2026	3,236.00	

\*Adjusted to corporate actions of sub-division of shares in the ratio of 5 Equity Shares of ₹2.00 each for every 1 Equity Share of ₹10.00 each.

(ii) The following reconciles the Stock Options outstanding at the beginning and end of the period:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of stock option	Weighted average exercise price (₹)	Number of stock option	Weighted average exercise price (₹)
<b>Balance at beginning of year</b>				
ESOS 2007	3,415	410.67	10,245	353.65
ESOS 2017	166,350	55.08	29,710	740.72
<b>Granted during the year</b>				
ESOS 2007	-	-	-	-
ESOS 2017	227,500	3,310.18	155,000	2.00
<b>Exercised during the year</b>				
ESOS 2007	1,590	245.69	1,125	274.71
ESOS 2017	640	780.00	16,895	710.90
<b>Expired during the year</b>				
ESOS 2007	-	-	5,705	335.05
ESOS 2017	105,000	2.00	1,465	780.00
<b>Balance at the end year</b>				
ESOS 2007	1,825	554.40	3,415	410.67
ESOS 2017	288,210	2,642.24	166,350	55.08

## Notes Forming Part of the Consolidated Financial Statements

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Amount ₹ in crores unless otherwise stated

### 48. SHARE BASED PAYMENTS (contd.)

(iii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price (₹)	Share options March 31, 2024	Share options March 31, 2023
July 28, 2007	July 27, 2017	81.49	-	-
April 28, 2014	April 27, 2024	78.00	-	-
June 29, 2015	June 28, 2025	194.80	-	1,365
October 24, 2016	October 23, 2026	554.40	1,825	2,050
March 19, 2018	March 18, 2028	780.00	10,710	11,350
May 09, 2018	May 08, 2028	770.35	-	-
January 07, 2019	January 06, 2029	698.45	-	-
October 19, 2022	October 18, 2032	2.00	50,000	155,000
February 05, 2024	February 04, 2034	3,326.00	187,500	-
February 06, 2024	February 05, 2034	3,236.00	40,000	-

(iv) The weighted average fair value of the options granted during the year on February 05, 2024 and February 06, 2024 is ₹1,168.58 and ₹1,152.29 respectively (March 31, 2023: ₹4,091.85). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included:

Grant Date	February 05, 2024		February 06, 2024	
	Vest 1	Vest 2	Vest 1	Vest 2
<b>Vesting date</b>	<b>February 28, 2025</b>	<b>February 28, 2026</b>	<b>February 28, 2025</b>	<b>February 28, 2026</b>
Volatility	35.02%	36.53%	35.02%	36.53%
Risk-Free rate of return	6.96%	6.97%	6.93%	6.95%
Exercise Price	3,326.00	3,326.00	3,236.00	3,236.00
Expected Life (Time to Maturity)	3.50	4.00	3.50	4.00
Dividend yield	0.33%	0.33%	0.33%	0.33%

The model inputs for options granted during the year ended March 31, 2023 included:

Grant Date	October 19, 2022			
	Vest 1	Vest 2	Vest 1	Vest 2
<b>Vesting date</b>	<b>October 31, 2023</b>	<b>April 01, 2024</b>	<b>April 01, 2025</b>	<b>April 01, 2026</b>
Volatility	38.07%	38.07%	37.88%	39.95%
Risk-Free rate of return	7.33%	7.33%	7.36%	7.37%
Exercise Price	2.00	2.00	2.00	2.00
Expected Life (Time to Maturity)	5.50	5.50	6.00	6.50
Dividend yield	0.79%	0.79%	0.79%	0.79%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Expenses arising from employee share based payment transaction recognised in the Statement of Profit and Loss as part of employee benefit expense for the year ended March 31, 2024 is ₹1.47 crores (March 31, 2023: ₹16.79 crores). Also refer note 38.

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Amount ₹ in crores unless otherwise stated

### 49. RELATED PARTY TRANSACTIONS

Following are the name and relationship of related parties with whom Company have transactions/ balances:

#### a. Enterprises over which key management personnel and their relatives are able to exercise significant influence / control

Arvind Mafatlal Foundation Trust  
Shri Sadguru Seva Sangh Trust  
M/s Vigil Juris

#### b. Entity over which Company has joint control (i.e. joint venture)

Swarnim Gujarat Fluorspar Private Limited, India

#### c. Key Management personnel

Mr. Vishad P. Mafatlal - Chairman  
Mr. Radhesh Welling - Managing Director (upto December 15, 2023)  
Mr. Mohan M. Nambiar - Non-Independent Non-Executive Director  
Mr. Pradip N. Kapadia - Independent Non-Executive Director  
Mr. Sunil S. Lalbhai - Independent Non-Executive Director  
Mr. Sudhir G. Mankad - Independent Non-Executive Director  
Mr. Harish H. Engineer - Independent Non-Executive Director  
Mr. Atul K. Srivastava - Independent Non-Executive Director  
Mrs. Radhika V. Haribhakti - Independent Non- Executive Director  
Mr. Ashok U. Sinha - Independent Non- Executive Director  
Mr. Sujal A. Shah - Independent Non- Executive Director  
Mrs. Apurva S. Purohit - Independent Non- Executive Director  
Mr. Sudhir R. Deo - Non-Independent Non- Executive Director (w.e.f. September 28, 2023)

### 49.1 Disclosures in respect of significant transactions with related parties during the year:

Transactions	For Year ended March 31, 2024	For Year ended March 31, 2023
<b>Legal / Professional fees paid</b>		
Vigil Juris	0.02	0.33
<b>Donation</b>		
Shri Sadguru Seva Sangh Trust	2.00	2.00
Arvind Mafatlal Foundation Trust	1.00	-
<b>Managerial remuneration (Short Term Employee Benefit)#</b>	<b>13.42</b>	<b>25.05</b>
<b>Director Sitting fees and Commission*</b>	<b>3.34</b>	<b>3.40</b>

# Excludes provision for gratuity and compensated absences which are determined based on an actuarial valuation done on overall basis for the company and accordingly individual figure are not available.

\* Commission payable to Independent / Non-Independent, Non-executive directors of ₹2.72 crores for the year ended March 31, 2024 is subject to approval of shareholders.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 49. RELATED PARTY TRANSACTIONS (contd.)

#### 49.2 Disclosures of closing balances:

Transactions	As at March 31, 2024	As at March 31, 2023
<b>Amount due to Directors</b>		
Mr. Vishad P. Mafatlal	3.71	6.67
Mr. Radhesh R. Welling	0.47	4.45
Mr. Mohan M. Nambiar	0.28	0.28
Mr. Pradip N. Kapadia	0.22	0.28
Mr. Sunil S. Lalbhai	0.22	0.28
Mr. Sudhir G. Mankad	0.22	0.28
Mr. Harish H. Engineer	0.22	0.28
Mr. Atul K. Srivastava	0.34	0.34
Mrs. Radhika V. Haribhakti	0.22	0.28
Mr. Ashok U. Sinha	0.22	0.28
Mr. Sujal A. Shah	0.34	0.30
Mrs. Apurva S. Purohit	0.22	0.28
Mr. Sudhir R. Deo	0.22	-

### 50. CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i. Capital commitments for Property, Plant and Equipment:</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	158.69	366.86
<b>ii. Other commitments:</b>		
Estimated amount of obligation on account of non-fulfillment of export commitments under various advance licenses	-	-

### 51. CONTINGENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Claims against the Group not acknowledged as debts</b>		
a. Income tax matters - Matters decided against the group in respect of which the group has preferred an appeal.	4.64	3.55
b. Excise duty matters	4.23	4.23
c. Sales-tax matters	0.88	0.87
d. Employee related matters	0.82	0.07
e. Goods and Service tax matters	0.83	0.83
f. Other Corporate guarantee / Bank guarantees	0.15	0.15

Note : It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 52. RESEARCH AND DEVELOPMENT EXPENDITURE

The details of research and development expenditure of ₹125.04 Crores (as at March 31, 2023 ₹36.39 Crores) included in the figures reported under notes 5A, 7 and 36 to 41 are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Expenditure	80.10	5.65
Revenue Expenditure	44.94	30.74
<b>Total</b>	<b>125.04</b>	<b>36.39</b>
The details of revenue expenditure incurred on research and development are as under :		
Salaries / Wages	22.06	16.45
Material / Consumable / Spares	7.07	6.83
Utilities	3.26	2.16
Other expenditure	4.72	3.38
Depreciation	7.83	1.92
	<b>44.94</b>	<b>30.74</b>

53. Mafatlal Industries Limited was executing a project in Iraq when hostilities broke out between Iraq and Kuwait in 1990-91, resulting in suspension of project work. In view of the post war sanctions imposed by the United Nations and the Government of India, suspended operations could not be resumed. The customer's bankers have asked for extension of bank guarantees for advance payment and performance and the State Bank of India (SBI), in turn, had claimed that the funds deposited with them in respect of the aforesaid project are subject to lien which was subsequently released on alternate arrangements. In view of the continuing uncertain circumstances, the receipts and payments under the contracts, transferred to the Group pursuant to the sanctioned scheme of Mafatlal Industries Limited, continue to be carried forward and necessary adjustments would be made on the status of the project becoming clearer. (Refer note 13 and note 28)

54. Before transfer of assets to Sulakshana Securities Limited (SSL) by Mafatlal Industries Limited (MIL) pursuant to its sanctioned scheme of rehabilitation, MIL had initiated steps for revision in rent/recovery of expenses and filed legal proceedings for eviction of some of its tenants/ (now) ex-tenants who were occupying at that time some of the premises in its building at Nariman Point, Mumbai. Pending resolution of those legal cases, rent of ₹Nil, previous year, ₹Nil, (aggregate to date, ₹0.66 crores, as at March 31, 2023, ₹0.66 crores) and recovery of expenses, of ₹Nil, previous year, ₹Nil (aggregate to date, ₹0.42 crores, as at March 31, 2023 ₹0.42 crores), have not been accounted, on legal advice. The ex-tenants have filed Civil Revision Application and secured a stay from the Hon'ble Bombay High Court in April 2013 against the Order of the appeal bench of Hon'ble Small Causes Court awarding an increased amount to SSL. During the year 2014-15, pursuant to the directions of the Hon'ble Bombay High Court and the Undertakings provided by SSL, SSL received ₹6.56 crores deposited by the ex- tenants, which is subject to final disposal of the matter. SSL is liable to refund the amount if the final decision goes against it. Pending final decision on the matter, the aforesaid amount has been kept in Term deposit account and the interest thereon is not considered as an Income.

#### 54 A Exceptional Item include:

Exceptional item for the year ended March 31, 2024 comprises gain of ₹52.13 crores on account of sale of surplus unused colony land situated at Surat (Gujarat).

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 55. INTERESTS IN OTHER ENTITIES

#### a. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2024	As at March 31, 2023
Sulakshana Securities Limited - SSL	Lease rental of investment property	India	100%	100%
Navin Fluorine Advanced Sciences Limited - NFASL	Chemical Business	India	100%	100%
Manchester Organics Limited - MOL	Chemical Business	U.K	100%	100%
Navin Fluorine (Shanghai) Co. Ltd	Chemical Business	China	100%	100%
NFIL (UK) Limited	Chemical Business	U.K	100%	100%
NFIL (USA) Inc - Step down subsidiary	Chemical Business	USA	100%	100%

#### b. Interest in Joint Venture

Aggregate information of Joint Ventures that are not individually material:

Particulars	As at March 31, 2024	As at March 31, 2023
The Group's share of loss from operations	(0.01)	(0.01)
The Group's share of other comprehensive income	-	-
The Group's share of loss in total comprehensive loss	(0.01)	(0.01)

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying amount of the Group's interests in the Joint Ventures	0.74	0.75

There is no change in the group's ownership interest in Joint Ventures. There are no significant restrictions on the ability of Joint Ventures to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

#### c. Additional disclosures required by Schedule III

Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2024

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
<b>Parent</b>								
Navin Fluorine International Limited	96.61%	2,301.79	86.94%	235.18	(7900.00)%	(1.58)	86.35%	233.60
<b>Subsidiaries</b>								
<b>Indian</b>								
Sulakshana Securities Limited	0.82%	19.53	1.80%	4.87	0.00%	-	1.80%	4.87
Navin Fluorine Advanced Sciences Limited	29.08%	692.88	12.65%	34.21	5200.00%	1.04	13.03%	35.25

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 55. INTERESTS IN OTHER ENTITIES (contd.)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
<b>Foreign</b>								
Manchester Organics Limited	1.05%	25.14	(0.23)%	(0.61)	-	-	(0.23)%	(0.61)
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.19	0.01%	0.03	-	-	0.01%	0.03
NFIL (UK) Limited	2.56%	60.90	(0.01)%	(0.02)	-	-	(0.01)%	(0.02)
NFIL (USA) Inc	0.09%	2.10	0.20%	0.55	-	-	0.20%	0.55
<b>Joint Ventures (as per equity method)</b>								
<b>Indian</b>								
Swarnim Gujarat Fluorspar Private Limited	0.03%	0.74	0.00%	(0.01)	-	-	0.00%	(0.01)
<b>Sub Total</b>	<b>130.25%</b>	<b>3,103.27</b>	<b>101.36%</b>	<b>274.20</b>	<b>(2700.00)%</b>	<b>(0.54)</b>	<b>101.15%</b>	<b>273.66</b>
Consolidation adjustments	(30.25)%	(720.60)	(1.36)%	(3.70)	2800.00%	0.56	(1.15)%	(3.14)
<b>March 31, 2024</b>	<b>100.00%</b>	<b>2,382.67</b>	<b>100.00%</b>	<b>270.50</b>	<b>100.00%</b>	<b>0.02</b>	<b>100.00%</b>	<b>270.52</b>

Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2023

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated comprehensive income	Amount (₹ in Crores)
<b>Parent</b>								
Navin Fluorine International Limited	97.99%	2,140.99	83.29%	312.49	38.24%	0.78	83.05%	313.27
<b>Subsidiaries</b>								
<b>Indian</b>								
Sulakshana Securities Limited	0.67%	14.66	1.03%	3.88	0.00%	-	1.03%	3.88
Navin Fluorine Advanced Sciences Limited	30.10%	657.63	18.03%	67.63	(0.49)%	(0.01)	17.93%	67.62
<b>Foreign</b>								
Manchester Organics Limited	1.14%	24.93	(0.71)%	(2.67)	-	-	(0.71)%	(2.67)
Navin Fluorine (Shanghai) Co. Ltd	0.01%	0.16	0.01%	0.04	-	-	0.01%	0.04
NFIL (UK) Limited	2.79%	60.87	(0.01)%	(0.04)	-	-	(0.01)%	(0.04)
NFIL (USA) Inc	0.07%	1.53	0.16%	0.59	-	-	0.16%	0.59
<b>Joint Ventures (as per equity method)</b>								
<b>Indian</b>								
Swarnim Gujarat Fluorspar Private Limited	0.03%	0.75	0.00%	(0.01)	-	-	0.00%	(0.01)
<b>Sub Total</b>	<b>132.80%</b>	<b>2,901.52</b>	<b>101.80%</b>	<b>381.91</b>	<b>37.75%</b>	<b>0.77</b>	<b>101.46%</b>	<b>382.68</b>
Consolidation adjustments	(32.80)%	(716.57)	(1.80)%	(6.73)	62.25%	1.27	(1.46)%	(5.46)
<b>March 31, 2023</b>	<b>100.00%</b>	<b>2,184.95</b>	<b>100.00%</b>	<b>375.18</b>	<b>100.00%</b>	<b>2.04</b>	<b>100.00%</b>	<b>377.22</b>

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

**56.** The Board of Directors has recommended final dividend of ₹7/- per share on the face value of ₹2.00 each (350%), subject to approval by the Members at the forthcoming Annual General Meeting of the Company.

### 57. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

#### i. Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

#### ii. Borrowing secured against current assets

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

#### iii. Wilful defaulter

None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

#### iv. Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956

#### v. Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

#### vi. Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

#### vii. Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Amount ₹ in crores unless otherwise stated

### 57. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III (contd.)

#### viii. Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

#### ix. Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

#### x. Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

#### xi. Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes 5A and 6 to the financial statements, are held in the name of the Group.

#### xii. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

### 58. SUMMARY OF OTHER ACCOUNTING POLICIES

This note provides a list of other accounting policies adopted in the preparation of these Consolidated financial statements to the extent they have not already been disclosed in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of Preparation:

##### a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which consists of Chairman and Managing Director. The CODM assess the financial performance and position of the Company and makes strategic decisions. See Note 43 for segment information presented.

##### c) Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Consolidated Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Consolidated Statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### 58. SUMMARY OF OTHER ACCOUNTING POLICIES (contd.)

#### d) Leases

Group's material accounting policies about Leases as a lessee are explained in Note 2(d).

##### As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### e) Property, Plant and Equipment

Company's material accounting policies about Property, Plant and Equipment are explained in Note 2(h).

All other repairs and maintenance expenses (Subsequent costs) of which it is not probable that future economic benefits associated with the item will flow to the group are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

#### f) Intangible assets

Company's material accounting policies about intangible assets are explained in Note 2(i).

##### Computer software

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

They are amortised over a period of 3 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

#### g) Investment Properties

Company's material accounting policies about Investment Properties are explained in Note 2(j).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

#### h) Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset/cash generating unit exceeds its recoverable amount. The recoverable amount of the assets/cash generating unit is fair value less costs of disposal or value in use, whichever is higher.

## Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

### 58. SUMMARY OF OTHER ACCOUNTING POLICIES (contd.)

#### i) Foreign currency transactions

##### (i) Functional and presentation currency

Items included in the financial statements of each entities of the Group are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian Rupees ('₹'), which is the functional and presentation currency of the Company.

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

##### (iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- A. assets and liabilities are translated at the closing rate at the date of that Balance Sheet.
- B. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction).
- C. all resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Consolidated Statement of Profit and Loss, as part of the gains / (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

#### j) Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

# Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

## (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## k) Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, plant & equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

## As per our report of even date

### For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

### Jeetendra Mirchandani

Partner

Membership No. 048125

Mumbai, May 07, 2024

### For and on behalf of the Board of Directors

### Vishad P. Mafatlal

Chairman

(DIN:00011350)

### Anish P. Ganatra

Chief Financial Officer

### Niraj B. Mankad

Company Secretary

Mumbai, May 07, 2024

## FORM AOC-1 (Pursuant to first proviso to sub-section (3) of Section 129 Read with rule 5 of companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries

Sr. No.	Name of the Subsidiary Company	Reporting period for the subsidiary	% of share	Reporting currency and Exchange rate	Share capital	Other Equity	Total assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Dividend
1	Sulakshana Securities Limited	April 01, 2023 - March 31, 2024	100%	INR	0.15	19.38	34.93	15.40	4.19	0.00	6.11	1.24	4.87	-
2	Manchester Organics Limited	April 01, 2023 - March 31, 2024	*100%	GBP 1 GBP = INR 105.0325	0.00	25.15	42.93	18.62	-	25.55	(1.86)	(0.98)	(0.88)	-
3	NFIL (UK) Limited	April 01, 2023 - March 31, 2024	100%	GBP 1 GBP = INR 105.0325	67.75	1.35	69.12	0.03	67.30	0.00	(0.02)	0.00	(0.02)	-
4	NFIL (USA) Inc	April 01, 2023 - March 31, 2024	**100%	USD 1 USD = INR 83.4050	0.83	1.27	2.13	0.03	-	10.26	0.71	0.17	0.55	-
5	Navin Fluorine (Shanghai) Co. Ltd	April 01, 2023 - March 31, 2024	100%	RMB 1 RMB = INR 11.4825	6.49	(6.30)	0.21	2.30	-	1.30	0.03	0.00	0.03	-
6	Navin Fluorine Advanced Sciences Ltd	April 01, 2023 - March 31, 2024	100%	INR	590.48	102.40	2,506.50	1,813.62	30.03	762.73	41.41	7.20	34.21	-

The figures reported above are without considering elimination

\* Navin Fluorine International Limited holds 51% and NFIL (UK) Limited holds 49% in Manchester Organics Limited

\*\* NFIL (UK) Limited holds 100% in NFIL (USA) Inc

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

## Part "B" Joint Ventures

### Statement pursuant to section 129 (3) of the companies Act 2013 related to Joint Ventures

Sr. No.	Name of the Joint Venture/ Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures/Associate held by the Company on the year end	Net worth attributable to	Profit/Loss for the year	Not Considered in Consolidation
1	Swarnim Gujarat Fluorspar Private Limited – SGFFPL	March 31, 2024	11,82,500	1.18	49.48%	(0.01)

Names of joint ventures which are yet to commence operation : Swarnim Gujarat Fluorspar Private Limited is yet to commence operations



## Glossary

<b>Amortization</b>	The depreciable amount of an intangible asset which is allocated on a systematic basis over the estimate of its useful life.
<b>Anhydrous Hydrofluoric Acid (AHF)</b>	Hydrogen fluoride is an inorganic compound with chemical formula HF and is a weak base. It is a colourless gas or liquid that dissolves in water to yield an aqueous solution termed dilute hydrofluoric acid. It is the principal industrial source of fluorine, and is an important feedstock in the preparation of many important compounds including refrigerants, inorganic fluorides, pharmaceuticals and polymers.
<b>Active Pharmaceutical Ingredient (API)</b>	Active Pharmaceutical Ingredients are the active ingredients contained in a medicine which produces the intended therapeutic effects. API is the paramount raw material in the production of medicines.
<b>Attrition</b>	Measures what portion of the employees left the Company over the last 1 year.  Attrition = Total number of departure of employees in the last 1 year / employees at the end of the year.
<b>Basis Point (bps)</b>	One hundredth of a percentage point i.e. 0.01%
<b>Benzotrifluoride</b>	Benzotrifluoride is colourless fluorocarbon used as a specialty solvent in organic synthesis and an intermediate in the production of pesticides and pharmaceuticals.
<b>Boron trifluoride (BF3)</b>	Boron trifluoride is the inorganic compound with the formula BF <sub>3</sub> . This powerful, colourless and toxic gas forms white fumes in moist air. It is most importantly used as a reagent in organic synthesis typically as a Lewis acid. It is a useful Lewis acid and a versatile building block for other boron compounds.
<b>Compounded Annual Growth Rate (CAGR)</b>	CAGR is the average annual growth rate of an investment over a period longer than one year.
<b>Capital Expenditure (Capex)</b>	This represents expenditure incurred by a company for acquiring a fixed asset (property, plant and equipment, and other assets) which is intended to be used over long term for earning profits there from.
<b>Cash and Cash Equivalents</b>	Cash, Bank Balances and Current Investments.
<b>Cash Flow</b>	Inflows and outflows of cash and cash equivalents.
<b>Contract Development and Manufacturing Organisation (CDMO)</b>	CDMO offers contract services to major pharmaceutical innovator companies worldwide for product development, manufacturing, packaging and distribution in the space of key regulatory raw materials, which serves them to provide comprehensive services for their drug development.
<b>cGMP</b>	cGMP are regulations for drugs containing minimum requirements for the methods, facilities and controls used in manufacturing, processing and packing of a drug product. The regulations make sure that a product is safe for use and that it has the ingredients and strength it claims to have.
<b>CY</b>	Calendar Year
<b>Diluted hydrofluoric acid</b>	Diluted hydrofluoric acid is a solution of Anhydrous Hydrogen Fluoride (AHF) in water. Solutions of HF are colourless, acidic and highly corrosive. It is used in multiple industrial and electronic process.
<b>Earnings Per Share (EPS)</b>	The amount of a given period's net profit attributable to a single equity share.  $EPS = \frac{\text{Net profit attributable to shareholders of a company} - \text{Preference dividend, if any}}{\text{Weighted average number of equity shares outstanding during the period}}$
<b>Fair Value</b>	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
<b>Fluorination</b>	Fluorination is the process of chemically reacting a material with a fluorine-containing compound to produce a desired product.
<b>High Performance Products (HPP)</b>	High Performance Products is a basket of products that are application specific and function driven. They are at times formulations tailored for a desired end result.
<b>HVAC system</b>	HVAC is an acronym that stands for Heating, Ventilation, and Air Conditioning. Its goal is to provide thermal comfort and acceptable indoor air quality.
<b>Hydrofluoroolefins (HFO)</b>	Hydrofluoroolefins are unsaturated organic compounds composed of hydrogen, fluorine and carbon and carbon with no ozone depleting potential and a global warm potential equivalent to carbon dioxide in atmosphere.
<b>Hydrofluorocarbons (HFCs)</b>	Hydrofluorocarbons are greenhouse gases commonly used in a wide variety of applications, including refrigeration, air-conditioning, building insulation, fire extinguishing systems and vaporizers.
<b>Hydrochlorofluorocarbons (HCFCs)</b>	HCFCs are compounds containing carbon, hydrogen, chlorine and fluorine. They have inherent ozone depleting potential and are being gradually phased as per the Montreal Protocol.

<b>Inorganic Fluorides</b>	Inorganic fluoride are salts of metal ion (cation) along with fluorine atom. These salts are important chemical reagents and industrial chemicals used in agrochemical, pharmaceutical and glass industry.
<b>Kilolitre (kl)</b>	1kl = 1,000 litres.
<b>Key Managerial Personnel</b>	At Navin Fluorine International Limited, it pertains to the Executive Chairman, Managing Director, Chief Financial Officer and Company Secretary.
<b>Market Capitalization</b>	The total market value of a company's total outstanding equity shares at a point in time.  Market Capitalization = Last Trading Price of equity share * Total number of outstanding equity shares
<b>Molecule</b>	A molecule is two or more atoms connected by chemical bonds, which form the smallest unit of a substance that retains the composition and properties of that substance. Molecules are noted with the element symbol and a subscript with the number of atoms.
<b>Original Equipment Manufacturer (OEM)</b>	OEM is generally perceived as a company that produces parts and equipment that may be marketed by another manufacturer.
<b>Responsible Care®</b>	Responsible Care is the global chemical industry's voluntary initiative to drive continuous improvement in safe chemicals management and achieve excellence in Environmental, Health, Safety and Security (EHS&S) performance.
<b>R-22</b>	R-22 is a HCFC refrigerant commonly used in refrigeration and as a propellant. It is also known as chlorodifluoromethane.
<b>R-32</b>	R-32 is a HFC refrigerant and the most balanced in terms of environmental impact, energy efficiency, safety, and cost-effectiveness. It is also known as difluoromethane.
<b>Specialty chemicals</b>	Specialty chemicals are materials used on the basis of their performance / function to give effect to chemicals. It is also known as performance chemicals and formulation chemicals. They can be unique molecules or mixtures of molecules known as formulations.
<b>YoY</b>	Year on Year

**Disclaimer:** This glossary is intended to help in understanding commonly used terms in this Report. The explanations are not intended to be technical definitions. If explanations provided hereinabove are in contradiction, then the definition provided in the respective reports/statements will prevail.



Navin Fluorine  
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