

# HSIE Results Daily

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# Navin Fluorine International

## Advancing refrigeration foray

We retain a BUY on Navin Fluorine International Ltd (NFIL), with a target price of INR 4,797, on the back of (1) earnings visibility, given long-term contracts; (2) robust pipeline in the CDMO business; and (3) ramp-up in recently-commissioned plants. EBITDA/APAT were 10/3% above our estimates, owing to higher-than-expected revenue, offset by higher-than-expected raw material, depreciation, and finance cost.

- **Financial Q4 performance:** In Q4FY25, revenue increased by +16.4/+15.6% YoY/QoQ% to INR 7,009mn owing to improved performance in all businesses. Improved demand and higher realization resulted in an EBITDA margin of 25.5% (+721/+120 bps YoY/QoQ bps), while EBITDA came in at INR 1,787mn (+62.4/+21.3% YoY/QoQ). Finance costs and depreciation increased during the quarter due to the capitalisation of the project.
- **Call takeaways:** (1) **Specialty chemical:** NFIL has a strong order book for FY26. It has completed the validation of two new fluoro specialty molecules, for which supplies will commence in Q1. It expects a neutral impact due to the tariff scenario on this business. (2) **HPP business:** NFIL has strong demand and pricing traction in HFO and R32. It expected a neutral to positive impact of the tariff scenario on HPP as it is under a different regulatory framework. (3) **Chemours Opteon tie-up:** NFIL has entered a partnership with Chemours for contract manufacturing. An investment of INR1.2bn (of which INR0.55bn by Chemours) is a strategic investment for NFIL. The two-phase immersion cooling fluid technology is a proprietary technology of Chemours and is still at testing level. NFIL will absorb the technology. This manufacturing plant will supply samples for testing. This fluid is used in data centers and advanced AI next-generation chips for cooling. Market size is expected to reach INR 3.5 bn in FY35 from INR 0.55bn in FY26. (4) **Buss ChemTech AG:** NFIL has entered into a technology tie-up with Buss ChemTech AG for solar and electronic grade HF. It is in line with the strategy of supply of high realisation hydrofluoric acid (HF). It will require an HF requirement of N5 grade (high purity). It will help to cater to the demand in electronic and solar areas. The product will be marketed by NFIL while using technology from Buss Chem Tech AG. It is aligning with the AHF project of INR 4.5bn and is expected to commission in Q2FY26. (5) **CDMO business:** The management reiterated its USD 100mn revenue guidance from this business in FY27. CGMP phase-I is expected to commission in Q3FY26.
- **Change in estimates:** We tweak our FY25/26E EPS estimates by +2.7/0.2% to INR 96/134.4x, factoring in FY26 outlook.

### Financial summary (consolidated)

INR mn	4Q FY25	3Q FY25	QoQ (%)	4Q FY24	YoY (%)	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	7,009	6,062	15.6	6,020	16.4	20,650	23,494	30,356	36,804	44,044
EBITDA	1,787	1,473	21.3	1,101	62.4	3,983	5,337	7,745	9,818	12,116
APAT	950	836	13.6	704	35.0	2,706	2,886	4,756	6,654	8,145
AEPS (INR)	19.2	16.9	13.6	14.2	35.0	54.6	58.3	96.0	134.4	164.5
P/E (x)						83.8	78.6	47.7	34.1	27.9
EV/EBITDA(x)						59.2	44.4	30.5	23.8	19.0
RoE (%)						11.8	11.5	17.0	20.6	21.5

Source: Company, HSIE Research

### Change in estimates (consolidated)

Y/E Mar	FY26E Old	FY26E New	% Ch	FY27E Old	FY27E New	% Ch
EBITDA (INR mn)	7,124	7,745	8.7	9,210	9,818	6.6
Adj. EPS (INR/sh)	93.5	96.0	2.7	134.1	134.4	0.2

Source: Company, HSIE Research

**BUY**

CMP (As on 09 May 2025)	INR 4,595
Target Price	INR 4,797
NIFTY	24,008

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 4,513	INR 4,797
EPS %	FY26E	FY27E
	2.7%	0.2%

### KEY STOCK DATA

Bloomberg code	NFIL IN
No. of Shares (mn)	50
MCap (INR bn) / (\$ mn)	228/2,669
6m avg traded value (INR mn)	895
52 Week high / low	INR 4,726/2,876

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	8.9	29.7	42.6
Relative (%)	6.8	29.7	32.9

### SHAREHOLDING PATTERN (%)

	Dec-24	March-25
Promoters	28.44	28.44
FIs & Local MFs	28.46	30.04
FPIs	18.55	20.16
Public & Others	24.55	21.36

Pledged Shares - -

Source : BSE

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**Rating Criteria**

BUY: &gt;+15% return potential

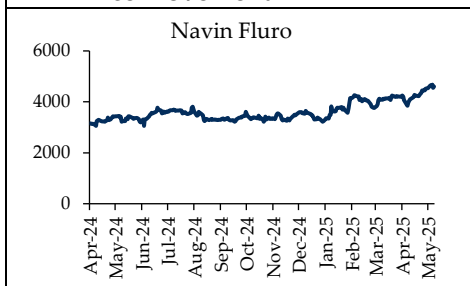
ADD: +5% to +15% return potential

REDUCE: -10% to +5% return potential

SELL: &gt; 10% Downside return potential

**Disclosure:**

Analyst	Company Covered	Qualification	Any holding in the stock
Nilesh Ghuge	Navin Fluorine International	MMS	NO
Prasad Vadnere	Navin Fluorine International	MSC	NO
Dhawal Doshi	Navin Fluorine International	CA	NO

**1 Yr Price movement**

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