Key Takeaways from the Management Meet

Advanced Materials (Niche Sunrise Business)

- Management is incubating a new, high-margin Advanced Materials vertical targeting high-growth sectors such as Data Centers, Electronics, Defence, and Semiconductors.
- By 2030, management expects Advanced Materials to represent 10–15% of NFIL's expanded revenue basket, which would make it comparable in size to the CDMO business.
- Out of 19 to 20 visible products, NFIL has prioritised a first basket of 11 to 12 products, with 5 to 6 already lab-qualified.
- The Chemours Project & Liquid Cooling: This project focuses on manufacturing an innovative liquid cooling product designed for AI hyperscalers. The B2B transition will go through OEM manufacturers. NFIL is currently the only credible alternative to Chinese supply chains for this complex product, creating a strong competitive moat.

CDMO

- Management is highly confident of nearing the company's target of $100 Mn in CDMO revenue by FY27. Furthermore, NFIL has a rich pipeline, with 3 to 4 molecules expected to go through FDA approvals in the next 12 months.
- While the Rs 288 Cr cGMP4 Phase I came online in Q3FY26, NFIL has initiated Phase II cGMP4 CapEx of Rs 125 Cr, targeted for completion by Q4FY27. This capacity expansion is projected to deliver an asset turnover of ~3x. Basic supporting infrastructure (ETP, warehouses) is already built to support future scaling up to cGMP Phase 5 and Phase 6.

High Performance Products (HPP)

- The global pricing environment for HFCs remains constructive, encouraging customers to seek long-term contractual offtakes for NFIL's new capacities.
- Additional HFC capacity, equivalent to up to 15,000 MTPA of R32, is on track for commissioning in Q3FY27.

Specialty Chemicals

- The product pipeline is supported by strong order visibility. NFIL is working on five new molecules, three of which are patented. These molecules collectively represent ~15% of the expanded top line for the year.
- Specialty Chemicals will prioritise an "infrastructure-led" strategy, seeking to optimise and squeeze capacities from existing Multi-Purpose Plants before investing in an entirely new MPP.

Strategic Capital Allocation & Growth Guidance

- Management guided a CapEx spend of ~Rs 700 Cr for the current year. For subsequent years (FY28–30), the budget is expected to range between Rs 700 Cr and Rs 1,000 Cr annually.
- Management is targeting a disciplined and sustainable top-line CAGR of 20–25%.
- NFIL currently remains net debt positive. This conservative leverage profile provides considerable headroom and flexibility to fund future organic expansions or take on large scale-up opportunities.

Valuation & Recommendation

NFIL's strategic focus on expanding high-value segments such as HPP, Specialty Chemicals, and CDMO supports long-term value creation. The company continues to strengthen its global partnerships and expand its product portfolio, positioning itself to capitalise on structurally favourable end markets. Key growth drivers are expected to gain further traction over the medium term. **Therefore, we now value the company at 34x FY28E EPS and maintain our BUY rating on the stock with a revised TP of Rs 9,040/share, implying an upside of 10% from the CMP.**

(CMP as of 20th August, 2026)

CMP (Rs)	8,220
Upside /Downside (%)	10%
High/Low (Rs)	8,776/4,498
Market cap (Cr)	42,176
Avg. daily vol. (6m)Shrs.	3,70,444
No. of shares (Cr)	5.13

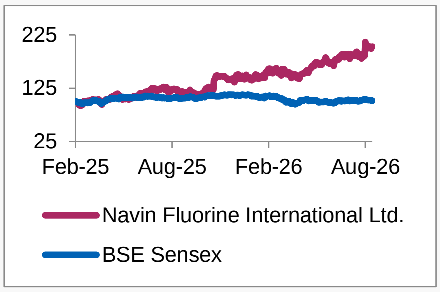
Shareholding (%)

	Dec-25	Mar-26	Jun-26
Promoter	27.1	27.1	27.1
FIIs	23.7	23.8	23.7
DII	28.1	27.6	28.5
Retail	21.1	21.5	20.7

Financial & Valuations

Y/E Mar (Rs Cr)	FY26	FY27E	FY28E
Net Sales	3,314	4,714	5,862
EBITDA	1,082	1,549	1,950
Net Profit	664	1,060	1,369
EPS (Rs)	129.6	207.1	267.4
PER (x)	63	40	31
P/BV (x)	11	8	7
ROE (%)	17%	21%	22%

Relative Performance



Source: AceEquity, Axis Securities Research

Results Gallery

Q1FY27
Q4FY26
Q3FY26
Q2FY26

Shivani More
Research Analyst
shivani.more@axissecurities.in

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Net Sales	**2,065**	**2,349**	**3,314**	**4,714**	**5,862**
COGS	935	1,039	1,376	1,958	2,435
Employee Cost	286	297	307	438	528
Other Expenses	445	480	549	768	950
Total Expenditure	1,667	1,816	2,232	3,164	3,912
EBITDA	**398**	**534**	**1,082**	**1,549**	**1,950**
EBITDA Margin %	19.3%	22.7%	32.6%	32.9%	33.3%
Depreciation	96	119	149	173	211
EBIT	302	414	932	1,376	1,739
Interest	75	78	118	98	85
PBT	**228**	**336**	**815**	**1,278**	**1,655**
Exceptional Items	52	-	(7)	-	-
Other Income	56	44	65	99	123
PBT	336	380	873	1,377	1,778
Tax	65	91	210	317	409
Tax Rate %	19.4%	24.1%	24.0%	23.0%	23.0%
PAT	**271**	**289**	**664**	**1,060**	**1,369**
EPS	54.6	58.2	129.6	207.1	267.4

Source: Company, Axis Securities

Balance Sheet

(Rs Cr)

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Share Capital	**10**	**10**	**10**	**10**	**10**
Reserves & Surplus	2,373	2,616	3,964	4,947	6,239
Total Equity Capital	2,383	2,626	3,975	4,957	6,249
Trade Payables	303	327	529	542	642
Other Financial Liabilities	**84**	**99**	**94**	**94**	**94**
Other Current Liabilities	**40**	**52**	**71**	**71**	**71**
Total Current Liabilities	787	915	1,068	995	1,095
Long-term Borrowings	1,023	1,053	940	900	500
Total Non-Current Liabilities	1,208	1,289	1,336	1,319	949
Total Liabilities	1,994	2,204	2,405	2,314	2,043
Total Equity + Liabilities	**4,377**	**4,830**	**6,379**	**7,271**	**8,292**
Inventories	372	322	446	517	642
Trade Receivable	513	582	752	839	1,044
Investments	**486**	**472**	**1,224**	**1,224**	**1,224**
Cash and Equivalents	7	20	23	129	231
Other Current Assets	**137**	**153**	**222**	**222**	**222**
Total Current Assets	1,553	1,589	2,785	3,051	3,483
Net Block	1,685	2,550	3,113	3,740	4,329
Capital Work in Progress	711	350	143	143	143
Goodwill on consolidation	88	88	88	88	88
Total Non-Current Assets	2,824	3,242	3,594	4,221	4,810
Total Assets	**4,377**	**4,830**	**6,379**	**7,271**	**8,292**

Source: Company, Axis Securities

Cash Flow

(Rs Cr)

Y/E March	FY24	FY25	FY26	FY27E	FY28E
PBT	336	380	873	1,377	1,778
Depreciation & Amortization	96	119	149	173	211
Change in Working cap	361	93	(38)	(146)	(230)
Direct tax paid	(34)	(78)	(159)	(317)	(409)
Others	(8.6)	56.1	68.4	95.2	81.8
Cash From Operating Activities	**750**	**571**	**894**	**1,183**	**1,431**
Change in Gross Block	(732)	(567)	(489)	(800)	(800)
Interest Received	3	2	3	3	3
Cash Flow from Investing Activities	**(1,093)**	**(511)**	**(1,235)**	**(797)**	**(797)**
Proceeds / (Repayment) of Borrowings (Net)	491.3	101.4	(214.0)	(126.4)	(400.0)
Proceeds from the issue of Equity	-	0	747	-	-
Finance Cost paid	(75)	(79)	(106)	(98)	(85)
Dividends paid	(74)	(60)	(68)	(77)	(77)
Others	(6.5)	(10.1)	4.1	3.2	29.7
Cash from Financing Activities	**336**	**(47)**	**363**	**(299)**	**(532)**
Opening Cash & Cash Equivalents	14	7	20	42	129
Chg in cash	(8)	13	22	87	102
Closing Cash & Cash Equivalents	7	20	42	129	231

Source: Company, Axis Securities

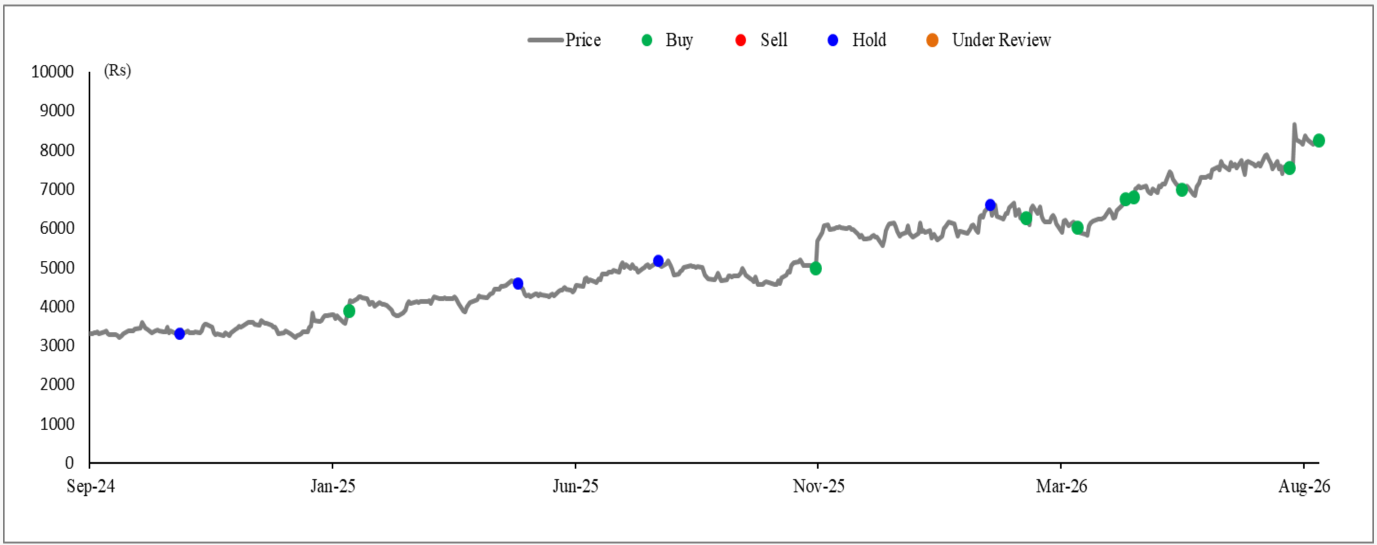
Ratio Analysis

(%)

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Growth (%)					
Net Sales	-1%	14%	41%	42%	24%
EBITDA	-28%	34%	103%	43%	26%
APAT	-28%	7%	130%	60%	29%
Profitability (%)					
EBITDA Margin	19%	23%	33%	33%	33%
Adj. PAT Margin	13%	12%	20%	22%	23%
ROCE	8%	11%	18%	22%	24%
ROE	11%	11%	17%	21%	22%
Per Share Data (Rs)					
Adj. EPS	55	58	130	207	267
BVPS	481	530	777	969	1221
DPS	15	12	15	15	15
Valuations (X)					
PER	151	141	63	40	31
P/BV	17	16	11	8	7
EV / EBITDA	106	79	40	28	22
EV / Net Sales	20	18	13	9	7
Turnover Days					
Asset Turnover	1.1	0.9	1.0	1.2	1.2
Inventory days	74	54	42	40	40
Debtors' days	95	85	73	65	65
Creditors' days	48	49	47	42	40
Working Capital Days	121	90	69	63	65

Source: Company, Axis Securities

Navin Fluorine International Price Chart and Recommendation History



Date	Reco	TP	Research
24-Oct-24	HOLD	3,570	Result Update
31-Jan-25	BUY	4,300	Result Update
12-May-25	HOLD	4,440	Result Update
31-Jul-25	HOLD	5,400	Result Update
31-Oct-25	BUY	4,930	Result Update
10-Feb-26	HOLD	6,950	Result Update
02-Mar-26	BUY	7,400	Top Picks
01-Apr-26	BUY	7,400	Top Picks
30-Apr-26	BUY	7,750	Result Update
04-May-26	BUY	7,750	Top Picks
01-Jun-26	BUY	8,000	Top Picks
06-Aug-26	BUY	8,600	Result Update
21-Aug-26	BUY	9,040	Company Update

Source: Axis Securities Research

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Compliance Officer Details: Name – Mr Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in.;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parć, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, PIN Code – 400710.

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Ratings	**Expected absolute returns over 12 – 18 months**
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward-looking estimates for the stock, but we refrain from assigning a valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events.
NO STANCE	We do not have any forward-looking estimates, valuations or recommendations for the stock.

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