Navin Fluorine International

The unique chemistry of growth

Navin Fluorine (NFIL), part of the Arvind Mafatlal group, is a leader in fluorine based chemicals in India. It operates mainly in four segments i.e. Refrigerant, Organic Fluoride, Specialty Chemicals and CRAMs. While Refrigerant segment will continue to generate strong cash flows, the incremental focus of the company is the high margin and scalable specialty chemicals and CRAMs business. While the contribution from the JV with Piramal group is expected to commence from FY2018 onwards, NFIL has also entered into supply and technology licenses agreement with Honeywell to produce next generation automobile refrigerant.

Judicious capital allocation has been a key differentiator of NFIL: NFIL received ~₹400cr from sales of carbon credit over FY2011-13, while part of that was used to repay debt & one-time dividend, the management chose to diversify the remaining funds in valued added business like CRAMs. This gave an entry to NFIL to global Pharma and Agro chemical companies. With gradual phase out of Refrigerant, the move was in right direction which is paying off now in the form of high growth.

Increasing share of high valued added business like Speciality Chemicals & CRAMS should be margin accretive: NFIL's business mix has changed favorably over the last few years and share of value added products, specialty chemicals and CRAMs has gone up from 41% in FY2013 to 51% in FY2016, we expect this to further go up to 60% by FY2019, which we believe will be margin accretive for the company. Its EBITDA margin has increased from 13% in FY2013 to 18.5% in FY2016 and we believe this has further scope to improve to 22% by FY2019.

JV with Piramal Enterprises a win-win situation for both: NFIL (49%) & Piramal Enterprises (51%) entered into a JV in 2014 to manufacture Specialty Fluorine Chemicals targeted at healthcare segment. The JV with an investment of ₹140cr is likely to start contributing from FY2018 onwards. The JV with Piramal is a testimony to NFIL's capability of handling the complex fluorine molecules, while being strategically fit it is a win-win situation for both the players.

Improvement in RoCE a result of low debt and strong cash flows: NFIL has been generating strong cash flows, as a result, which it is able to fund its capex via internal accruals (negligible debt equity) leading to strong return ratios. The RoCE has improved from 9.9% in FY2013 to 14.1% by FY2016 and with increasing share of value added products we expect this to touch 22.7% by FY2019.

Outlook and Valuation: NFIL's presence in the high margin, scalable business with strong entry barriers makes it a unique player in the Indian specialty chemical industry. At the CMP, the stock is trading at 17x its FY2019E EPS and 10.1x EV/EBITDA. We believe NFIL would continue to attract premium valuations due to the long term growth visibility. **We have valued the stock at 21x its FY2019E EPS and recommend BUY on the stock with 12 months target price of ₹3,650.**

Key Financials (Consolidated)

Y/E March (₹ cr)	FY15	FY16	FY17E	FY18E	FY19E
Net Sales	**546**	**636**	**789**	**945**	**1,154**
% chg	*21.6*	*16.5*	*24.0*	*19.8*	*22.1*
Net Profit	**49**	**86**	**118**	**140**	**170**
% chg	*(2.5)*	*75.1*	*35.9*	*19.4*	*21.2*
OPM (%)	11.0	17.8	21.1	22.4	22.6
EPS (₹)	**50.6**	**88.4**	**120.1**	**143.4**	**173.8**
P/E (x)	58.4	33.5	24.6	20.6	17.0
P/BV (x)	5.1	4.6	4.0	3.4	2.9
RoE (%)	8.9	14.4	17.2	17.8	18.5
RoCE (%)	7.0	14.1	19.3	21.3	22.7
EV/Sales (x)	5.3	4.6	3.6	2.9	2.3
EV/EBITDA (x)	46.1	25.0	16.7	12.9	10.1

Source: Company, Angel Research; Note: CMP as of March 24, 2017

BUY

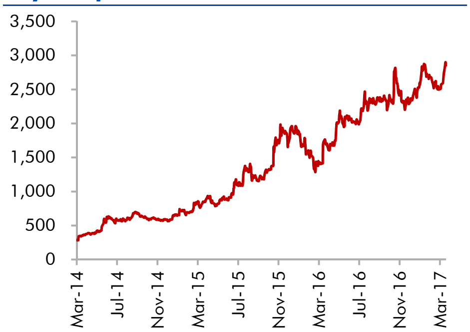
CMP	₹2,957
Target Price	₹3,650
Investment Period	12 Months

Stock Info	
Sector	Commodity Chemicals
Market Cap (₹ cr)	2,900
Beta	0.9
52 Week High / Low	3012/1592
Avg. Daily Volume	5,475
Face Value (₹)	10
BSE Sensex	29,421
Nifty	9,108
Reuters Code	NAFL.BO
Bloomberg Code	NFIL@IN

Shareholding Pattern (%)	
Promoters	38.7
MF / Banks / Indian FIs	21.9
FII / NRIs / OCBs	11.8
Indian Public / Others	27.7

Abs.(%)	3m	1yr	3yr
Sensex	12.6	15.8	34.8
NFIL	15.9	68.0	910.0

3-year price chart



Source: Company, Angel Research

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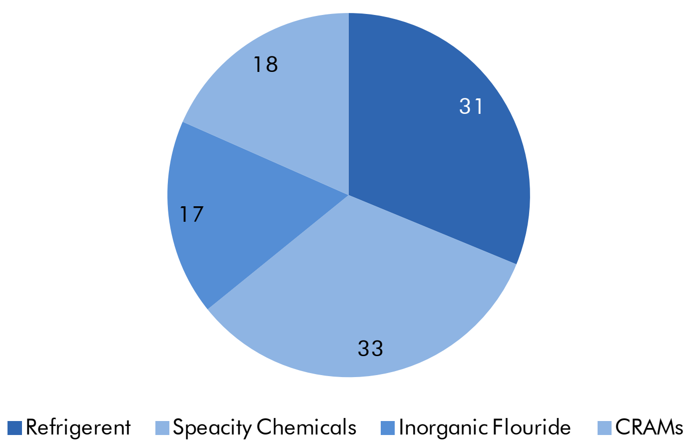
Company background

Navin Fluorine International Ltd (NFIL), part of the Arvind Mafatlal Group is one of the largest manufacturers of Specialty Fluorochemicals in India. With nearly 5 decades of expertise NFIL has evolved over the years and has now got into high margin and scalable business like specialty chemicals and CRAMs. The company's manufacturing facilities are located at Surat in Gujarat and Dewas in Madhya Pradesh. The primary business of the company can be dividend into the following four segments - Refrigerant, Specialty Chemicals, Inorganic Fluoride, and CRAMs.

Exhibit 1: Segmental Revenue Contribution (%)



Source: Company, Angel Research

Exhibit 2: Marquee Client Base

Pharma Segment	Specialty Chemicals & Agro Chemicals	Refrigerant Segment
SUN Pharmaceuticals	CLRIANT	SAMSUNG
LUPIN	BAYER	VOLTAS
Orchid Pharma	SYNGENTA	BLUE STAR
HETERO	BAYER Crop Science	CARRIER
NOVARTIS	DUPONT	LG
Dr Reddy's	BASF	
ROCHE		
Aurobindo		

Source: Company, Angel Research

Key management Personnel:

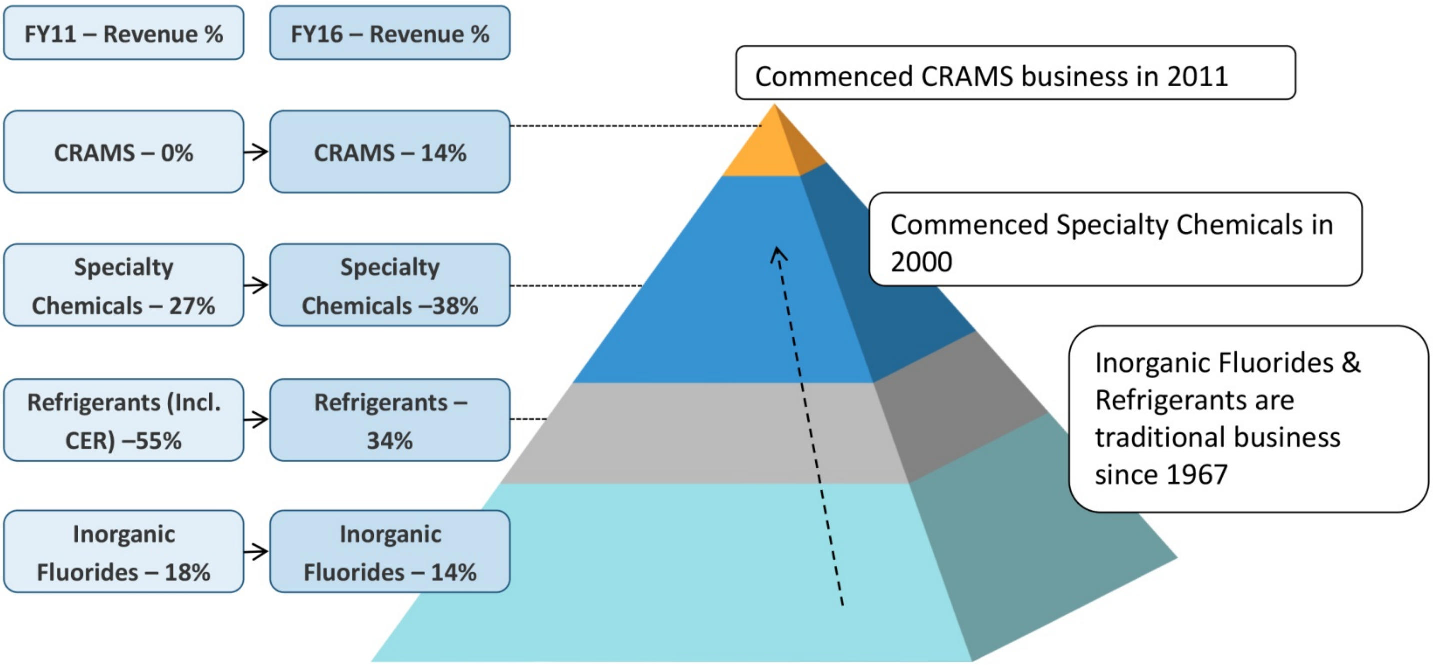
Mr Shekhar S Khanolkar – Managing Director –Mr Khanolkar has been the MD of NFIL, since Jan,2011. He served as President of Fluorochemicals segment at NFIL from Nov-2008 to Jan-2011. Backed by strong qualifications, BE –Chemical and Masters from Harvard Business School, he has been instrumental behind the growth of the company.

Exhibit 3: Business Segment

	Refrigerant	Specialty Chemicals	Inorganic Fluorides	CRAMs
Key Products	Refrigerant Gas- Viz	Fluorine based Intermediates	Aluminum Fluoride	Contract Research &
	R-22,R-22 (PTFE Grade),		Ammonium Bi-Fluoride	Manufacturing of fluorine based compounds
	HFC-134a		Anhydrous Hydrofluoric	
User Industry	Air Conditioning and Refrigeration	Pharma & Agrochemicals	Steel, Aluminum, Glass	Pharmaceutical & Agro Chem companies
Entry Barriers	High	Very High	Low	Very High
Profitability	High	High	Low	Very High
Risk	Lowering of Quota and Early Phase out R-22 gas	Longer than expected slowdown in global agrochem business	Prolonged slowdown in user industry	Delayed off take from clients

Source: Company, Angel Research

Exhibit 4: Higher Incremental business from valued added segment



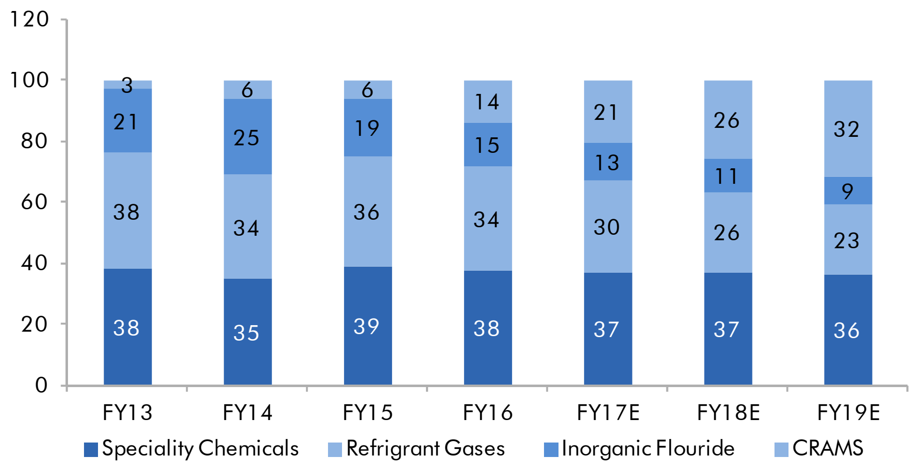
Source: Company, Angel Research

Investment Rationale

Judicious capital allocation has been a key differentiator of NFIL: NFIL received ~₹400cr from sales of carbon credit over FY2011-13, and taking a proactive decision the management chose to diversify by deploying funds in in valued added business like CRAMs. This gave an entry to NFIL to global Pharma and Agro chemical companies. With gradual phase out of Refrigerant, the move was in right direction which is paying off now in the form of high growth. While there are other players also in the Fluorinated chemical business, they do also have sizeable operations in segments which are not necessarily related to each other. While in case of NFIL all the segments of business are related to fluorine based molecules and it has not gone into unrelated diversification. Further the organizations strategy is to focus and deploy more incremental capital towards the high value added segment.

Increasing share of high valued added business should be margin accretive: NFIL's business mix has changed favorably over the last few years and share of value added products, specialty chemicals and CRAMs has gone up from 41% in FY2013 to 51% in FY2016, we expect this to further go up to 60% by FY2019, which we believe will be margin accretive for the company. Its EBITDA margin has increased from 13% in FY2013 to 18.5% in FY2016 and we believe this has further scope to improve to 22% by FY2019.

Exhibit 5: Favourable change in business mix



Source: Company, Angel Research

Joint Venture with Piramal Enterprises a win-win situation for both

NFIL and Piramal Group entered into a JV in 2014 in which NFIL holds 49% and Piramal holds 51%. The JV will focus exclusively on Specialty Fluorine Chemicals targeted at healthcare segment. The JV will invest ₹140cr and the project is on schedule and is likely to start contributing from FY2018 onwards. The JV with Piramal is a testimony to NFIL's capability of handling the complex fluorine molecules. We believe the JV is strategically fit and a win-win situation for both the players, as NFIL will focus on the production and is assured of 100% product off take by Piramal Enterprises. The Greenfield plant is being set up at NFIL's land at Dahej, which the company has leased out to the JV.

Exhibit 6: Key Highlights of the Joint Venture

Piramal Enterprises – 51% stake
Navin Fluorine -49% stake
JV Entered in 2014, to start commercial production by FY18
Investment of JV- ₹140 cr
Piramal's pharma arm to buy out the entire output from the JV
NFIL to supply raw materials to the JV at arm lengths price

Source: Company, Angel Research

Recent partnership with Honeywell is another testimony of NFIL's ability to handle complex fluorine chemistry:

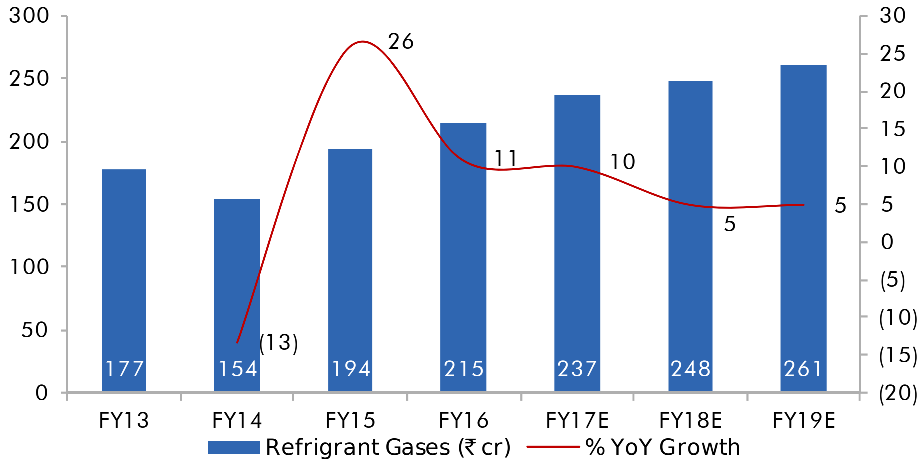
Recently, NFIL entered into a supply agreement and technology license with Honeywell to produce Honeywell Solastice yf, an automobile refrigerant with a lower global warming quality. Under the agreement, Honeywell will license its proprietary process technologies to produce the refrigerant to Navin Flourine, which will manufacture Solastice yf in India, exclusively for Honeywell.

Solastice yf, also known as HFO-1234yf is a next generation hydrofluro-olefin (HFO) refrigerant that is a near drop in replacement for R-134a. R-134a is a HFC with a global warming potential of 1300, which is used in vehicle air-condition systems globally. Solastice yf is also being used in a growing number of stationary air conditioning and commercial refrigeration applications.

Refrigerant business unlikely to see de-growth in the near term

NFIL started the refrigerant business in 1967 and has a fully integrated manufacturing facility for developing R22 gas. A backward integrated facility to produce critical intermediaries like Sulphuric acid and Hydrofluoric acid has ensured uninterrupted production of the refrigerant gas. NFIL sells its refrigerant under the brand name of Mafron, which has become a generic name for refrigerant in India over the years.

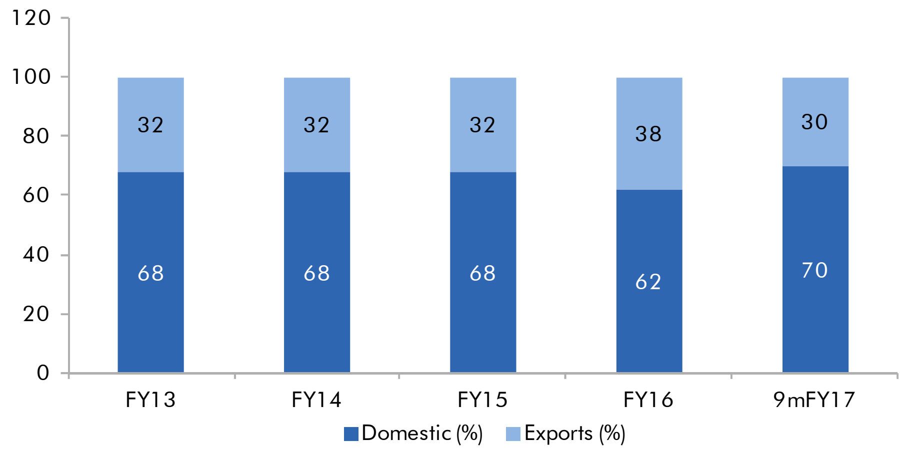
Exhibit 7: Steady revenue from refrigerant segment



Source: Company, Angel Research

As per the Montreal protocol, the phase out of HFC refrigerants of which R22 is the most important has begun. In Europe, the phase out of R22 has already been accomplished while the US will stop using R22 in 2020. In developing countries the phase out had started in 2015 and will get over in 2030. With strict quota restriction, we don't expect any volume growth to come from the refrigerant segment for NFIL. However, production cut down and effective demand supply mismatch will ensure better price realization, and hence, the segment is likely to remain steady cash flow for multiple years now. While R22 is being phased out for refrigeration, there is no restriction on its use in Pharma sector as a feed stock and this should compensate the decline in volume from other segments.

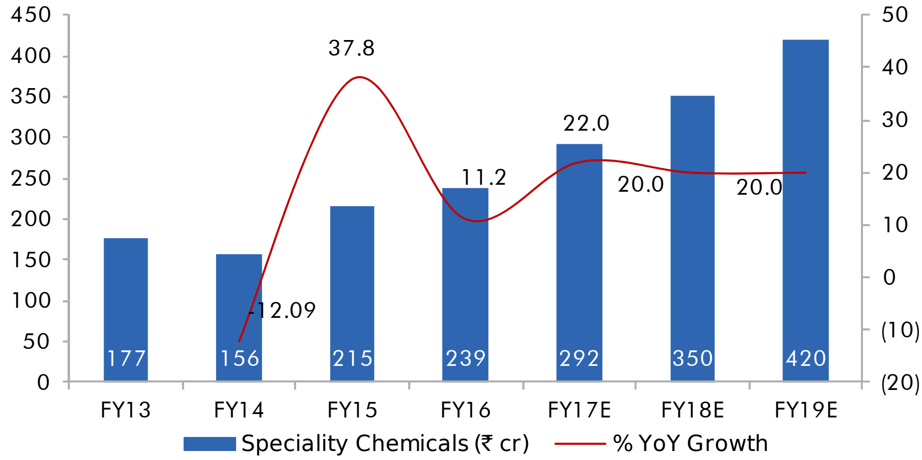
Exhibit 8: Geographical bifurcation of Refrigerant business



Source: Company, Angel Research

Specialty chemicals will continue to see increased traction: NFIL entered into specialty chemicals business in 2000. This segment offers high scalability with significant entry barriers. NFIL has dedicated multipurpose plants to process multi step products and intermediates, which are high in the value chain. In this segment, NFIL primarily supplies to the Pharmaceutical and Agrochemical companies. In addition to the above industries, NFIL's specialty chemicals also find application in the Hydrocarbon and Fragrance segments to some extent.

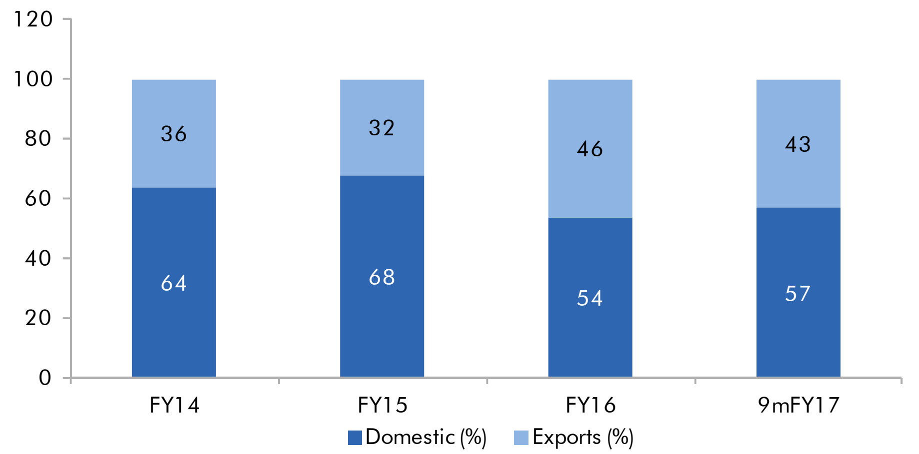
Exhibit 9: Sustainable growth in Speciality Chemical segment



Source: Company, Angel Research

The Specialty Chemicals supplied by NFIL are of low volume but high value in nature. Although as a percentage of total input cost it might be low for the user, but carries high importance, and that is the major reason for strong client relationship of high repute for NFIL. The revenue from this segment has reported a 10.4% CAGR over FY2013-16. With global agrochemical industry going through a phase of slow down the growth for NFIL has also been moderate. However, there is trend of higher contribution from the exports business, which should be margin accretive for the company.

Exhibit 10: Increasing share of exports in Speciality Chemicals

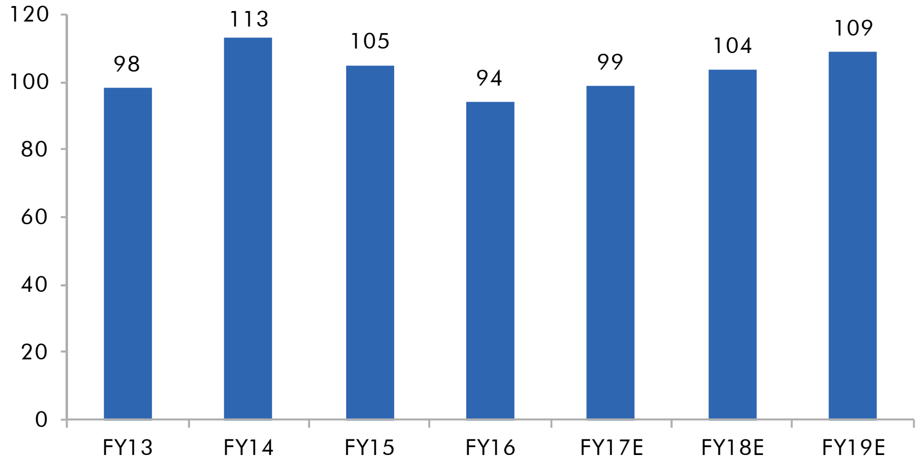


Source: Company, Angel Research

Inorganic fluoride segments growth will depend on the user industries like Aluminum & Steel

The various inorganic fluorides like – Ammonium BiFluoride, Potassium Fluoride, Sodium Fluoride supplied by NFIL find application in sectors like Aluminum Steel and Glass production. Due to slow down in the user industry, the revenue from this segment has remained muted over the years. These set of products being commoditized in nature generally have relatively lower margins v/s. other products of the company.

Exhibit 11: Subdued growth in Inorganic Fluoride (Revenues ₹ cr)

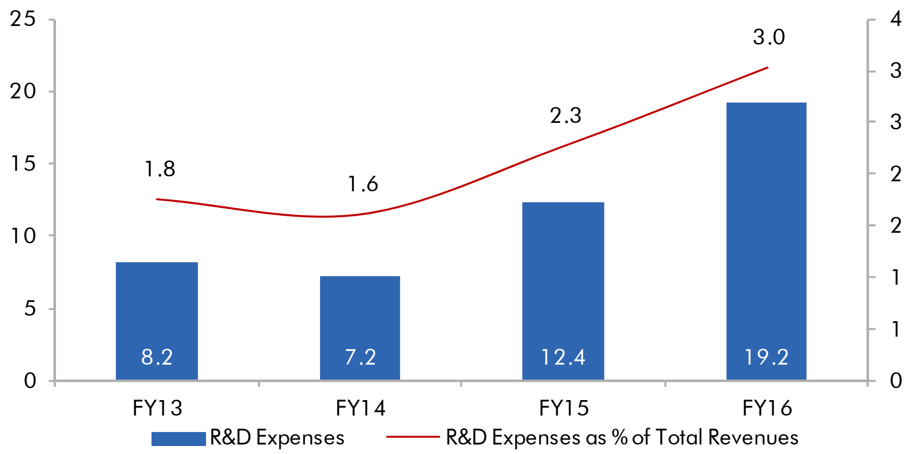


Source: Company, Angel Research

NFIL has been upgrading itself via continuous focus on R&D

While the traditional business of NFIL like Refrigerant and Inorganic Fluoride are high volume business and doesn't need major R&D. The new areas of business which NFIL is actively pursuing are Specialty Chemicals and CRAMs, which need a lot of R&D, hence NFIL has been spending higher amount on it every year.

Exhibit 12: Increasing share of R&D Expenses



Source: Company, Angel Research

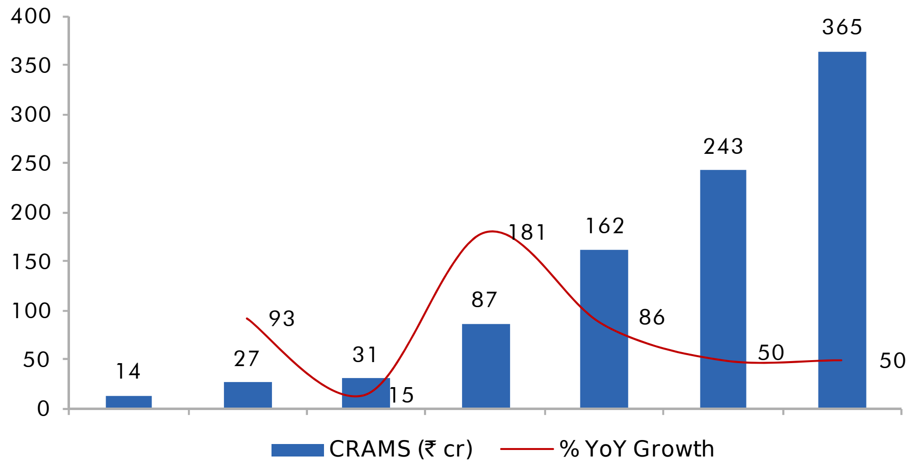
CRAMs will be the growth engine, Dewas plant to have high asset turn over:

NFIL got a windfall gain of ~₹400cr via sale of carbon credit and part of this was used for starting the high margin and scalable Contract Research and Manufacturing Services business. In order to make its presence felt in the global markets the company acquired 51% stake in the UK based Manchester Orgaincs Ltd, though small in size MOL is a highly specialized chemical research company.

The Company invested ₹65cr to set up a multipurpose plant. The plant with high efficiency can operate at 2.5x-3x asset turn over at the peak level. After going through various phases of customer audits, the plant started commercial production in FY2016. Being the first cGMP compliant pilot plant for developing high pressure fluorination, NFIL got access to global innovative Pharma companies via this plant. The Dewas plant will help in growing the CRAMs business in the years to come.

NFIL started the CRAMs business in 2011 and within a span of 5 years the share of CRAMs in total business has gone up to 14% in FY2016. With increasing clients mining, we expect the share of this increase upto 30% by FY2019. CRAMs is high margin business with high entry barriers, but it also takes time to go through various approval processes and build a scalable business.

Exhibit 13: High growth in CRAMS segment

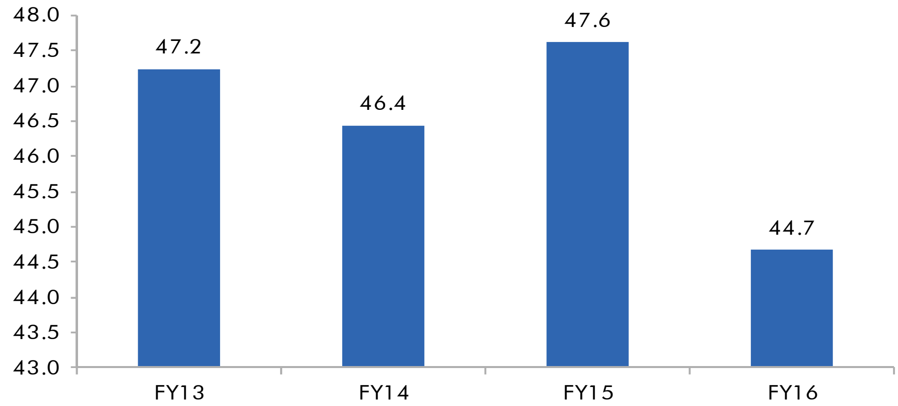


Source: Company, Angel Research

Efforts for securing long term raw material sourcing to reduce margin volatility:

NFIL's margin is highly dependent on the movement of the raw material prices. However, with higher contribution from the new business segments like Specialty Chemicals and CRMAs, the correlation of price movement of input costs and margins will reduce gradually. In the last few quarters, the cost of key raw materials like Sulphur, Fluorspar, Chloroform & Boric Acid have seen downward trend.

Exhibit 14: Raw materials as % of sales



Source: Company, Angel Research

Exhibit 15: Mix of Various Raw materials

As % of Total Raw materials	FY13	FY14	FY15	FY16
Fluorspar	36%	35%	26%	22%
Chloromethanes	11%	7%	14%	13%
Spor 11	7%	7%	5%	6%
Sulphur	6%	6%	7%	5%
Others	41%	44%	47%	54%
Total	**100%**	**100%**	**100%**	**100%**

Source: Company, Angel Research

Fluorspar is one of the key raw materials for the company, which is imported from diverse regions. However, in order to secure long term availability of this key raw material, the company has entered into a JV with GMDC in which NFIL holds 25% stake. The JV is expected to supply fluorspar ore for further beneficiation from GMDC mines. The JV is likely to start commercial production from FY2018 onwards.

Exhibit 16: Raw materials Mix

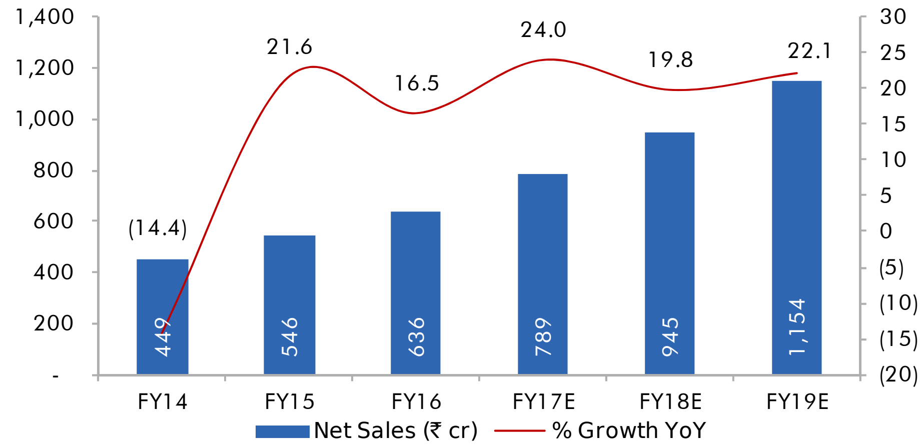
(₹ Cr)	FY13	FY14	FY15	FY16
Imported	184	140	174	173
Indigenous	63	69	110	87
Total	**248**	**209**	**284**	**260**
Imported	74%	67%	61%	67%
Indigenous	26%	33%	39%	33%

Source: Company, Angel Research

Expect Revenues /EBITDA / PAT to report 20%/30%/24% CAGR over FY2016-19

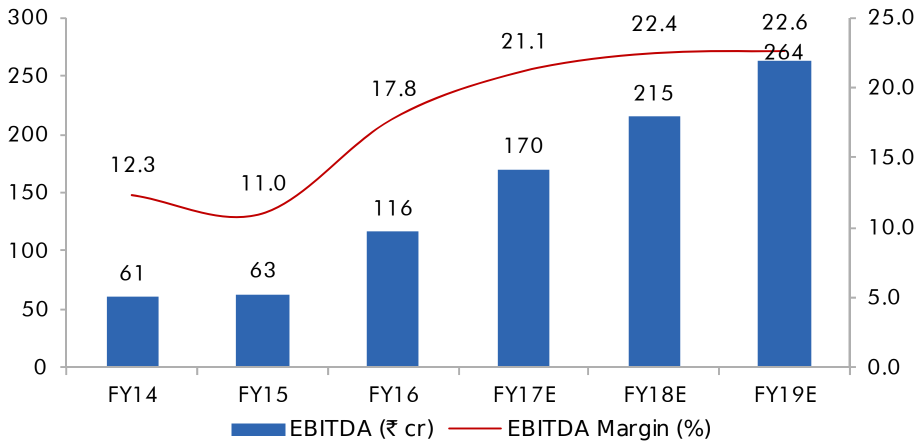
NFIL reported a 16.8% growth in revenues in FY16, which has gained further momentum during the year and we expect it to end FY17 with 24% YoY growth. Over FY16-19the revenue CAGR is expected to be 22%, with large part of the incremental growth being driven by the high margin specialty chemical and CRAMs business. We expect EBITDA to report 31% CAGR over the same period on the back of higher contribution from CRAMs segment, having better margins.

Exhibit 17: Revenue Growth



Source: Company, Angel Research

Exhibit 18: EBITDA & EBITDA Margin % Trend

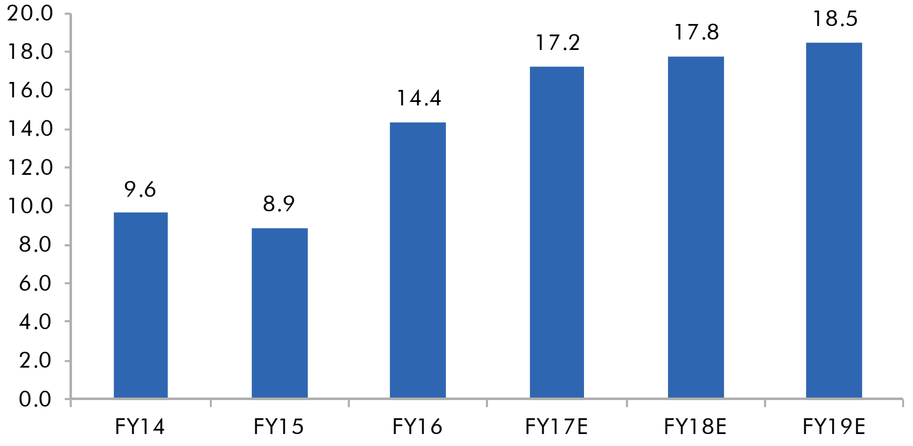


Source: Company, Angel Research

Low debt and strong cash flows has resulted in sharp improvement in RoCE

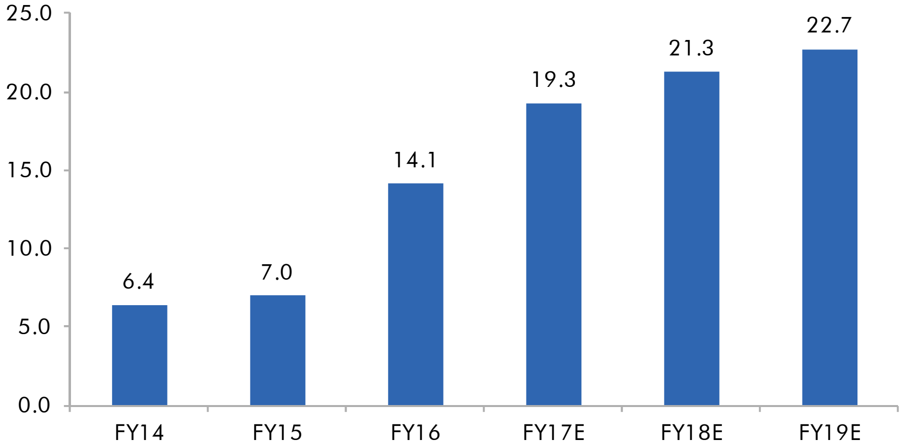
NFIL has been generating strong cash flows, as a result of which it is able to fund its capex via internal accruals, and hence the debt equity is at 0.2x, leading to strong return ratios. The RoCE has improved from 9.9% in FY2013 to 14.1% by FY2016 and with increasing share of value added products we expect this to touch 22.7% by FY2019.

Exhibit 19: ROE% has been improving



Source: Company, Angel Research

Exhibit 20: See further improvement in ROCE %



Source: Company, Angel Research

Exhibit 21: Key Assumptions

Segmental Revenues (₹ Cr)	FY13	FY14	FY15	FY16	FY17E	FY18E	FY19E
Specialty Chemicals	177	156	215	239	292	350	420
Refrigerant Gases	177	154	194	215	237	248	261
Inorganic Fluoride	98	113	105	94	99	104	109
CRAMS	14	27	31	87	162	243	365
Total	**467**	**450**	**545**	**635**	**789**	**945**	**1,154**
Overall Growth % YoY	**-**	**(4)**	**21**	**17**	**24**	**20**	**22**
Segmental Growth % YoY							
Specialty Chemicals	-	(12)	38	11	22	20	20
Refrigerant Gases	-	(13)	26	11	10	5	5
Inorganic Fluoride	-	15	(7)	(10)	5	5	5
CRAMS	-	93	15	181	100	50	50
Revenue Contribution %							
Specialty Chemicals	38	35	39	38	37	37	36
Refrigerant Gases	38	34	36	34	30	26	23
Inorganic Fluoride	21	25	19	15	13	11	9
CRAMS	3	6	6	14	21	26	32

Source: Company, Angel Research

Exhibit 22: Favourable Change in Business Mix

Business Segment	Refrigerant	Sp -Chemicals	In- Fluorides	CRAMs
Revenue Contribution (FY11)	55%	27%	18%	0%
Revenue Contribution (FY16)	34%	38%	14%	14%
Revenue Contribution (FY19E)	25%	32%	13%	30%
Geographic Distribution (9MFY17)				
Domestic	70%	57%	93%	
Exports	30%	43%	7%	100%
CAGR				
FY13-16	6%	10%	(1.4%)	84%
FY16-19E	10%	14%	5%	61%

Source: Company, Angel Research

Outlook and Valuation

NFIL's presence in the high margin, scalable business with strong entry barriers makes it a unique player in the Indian specialty chemical industry. While other players like SRF Ltd and Gujarat Fluorochemicals Ltd are also present in the Fluorine based specialty chemicals, they also do have many other divisions of operations and this makes NFIL the only company to focus solely on Fluorine based business. Thus, we believe NFIL will continue to attract premium valuations due to the long term growth visibility and focused business model. At the CMP, the stock is trading at 17x its FY2019E EPS and 10.1x EV/EBITDA. **We have valued the stock at 21x its FY2019E EPS and recommend BUY on the stock with 12 months target price of ₹3,650.**

Key Risks & Concerns

- NFIL still derives ~33% of its total revenues from the refrigerant business. The phase out of R-22 Refrigerant gas for developing countries had started in 2015 and is likely to be phased out completely by 2030. Earlier than expected and aggressive phase out of the same could impact the business of NFIL.
- CRAMs is a high margin business, but the company has to go through multiple audits and approvals before it gets sizeable business. And any delay in off take from the customer's end can result in slow down in business growth.
- Growth of the specialty chemicals division depends on growth of the user industry like Pharma & Agrochemicals. The global Agrochemicals industry is going through a phase of slow down due to drought in multiple geographies. Longer than expected delay in recovery could impact the volumes and in turn margins of NFIL
- The company imports nearly 2/3rd of its raw materials from overseas markets and any adverse movement in raw material prices could hit the profitability.

Consolidated Profit & Loss Account

Y/E March (₹ cr)	Mar-15	Mar-16	Mar-17E	Mar-18E	Mar-19E
Total Net Sales	546	636	789	945	1,154
% Change	*21.6*	*16.5*	*24.0*	*19.8*	*22.1*
Total Raw materials	272	292	333	404	515
Staff costs	61	66	73	81	87
Other Expenditure	150	162	213	246	288
Total Expenditure	483	520	619	730	890
EBITDA	63	116	170	215	264
% Change	*4.3*	*83.4*	*46.3*	*26.5*	*22.6*
EBITDA Margin %	11.6	18.3	21.5	22.7	22.8
Depreciation	19	21	26	34	41
EBIT	45	95	144	181	223
% Change	*11.2*	*113.1*	*50.9*	*25.9*	*23.1*
EBIT Margin %	8.2	15.0	18.2	19.1	19.3
Interest	3	3	3	3	3
Other Income	27	25	25	20	20
(as % of PBT)	39	21	15	10	8
PBT	68	117	166	198	240
Tax	19	30	48	57	69
Tax Rate %	27	26	29	29	29
APAT	49	86	118	140	170
% Change	*(2.5)*	*75.1*	*35.9*	*19.4*	*21.2*

Balance Sheet (Consolidated)

Y/E March (₹ cr)	Mar-15	Mar-16	Mar-17E	Mar-18E	Mar-19E
Share Capital	10	10	10	10	10
Reserves & Surplus	561	624	721	838	983
Net Worth	571	634	731	848	993
Total Loan funds	45	30	27	24	22
Deferred Tax Liability	32	36	36	36	36
Capital Employed	**648**	**699**	**793**	**908**	**1,050**
Gross Block	422	430	445	460	475
Less: Depreciation	152	163	189	223	264
Net Block	270	267	256	237	211
Investments	234	266	295	328	364
Sundry Debtors	110	138	166	199	239
Cash & Bank Bal	14	15	82	155	253
Loans & Advances	95	81	88	95	103
Inventory	66	63	73	84	98
Other Current Assets	3	3	3	4	5
Total Current Assets	287	300	412	537	697
Current Liabilities	124	125	144	165	190
Sundry Creditors	88	92	106	122	140
Other Creditors	36	33	37	43	50
Provision	20	24	27	29	32
Curr Liab & Prov	144	149	170	194	222
Net Current Assets	143	151	242	343	475
Total Assets	**648**	**699**	**793**	**908**	**1,050**

Cash Flow Statement (Consolidated)

Y/E March (₹ cr)	Mar-15	Mar-16	Mar-17E	Mar-18E	Mar-19E
PBT	68	117	166	198	240
Depreciation & Amortization	19	11	26	34	41
Provision for Taxes	(19)	(30)	(48)	(57)	(69)
Chg in Deferred tax	(1)	4	-	-	-
Chg in Working cap	(17)	(7)	(24)	(28)	(34)
Cash flow from operations	**50**	**95**	**120**	**146**	**177**
Chg in Gross Block	(58)	(9)	(14)	(15)	(15)
Chg in Investments	28	(32)	(29)	(32)	(36)
Chg in WIP	-	(14)	14	-	-
Cash flow from investing	**(29)**	**(54)**	**(30)**	**(47)**	**(51)**
Chg in debt	(12)	(15)	(3)	(3)	(2)
Chg in Net Worth	(2)	(4)	(0)	0	(0)
Dividend	(18)	(20)	(21)	(23)	(25)
Cash flow from financing					
Chg in cash	(11)	1	67	73	98
Cash at start	25	14	15	82	155
Cash at end	**14**	**15**	**82**	**155**	**253**

Key Ratios

Financial Ratios	2015	2016	2017E	2018E	2019E
Growth (%)					
Net Sales	21.6	16.5	24.0	19.8	22.1
EBITDA	4.3	83.4	46.3	26.5	22.6
APAT	(2.5)	75.1	35.9	19.4	21.2
Profitability (%)					
EBITDA Margin	11.0	17.8	21.1	22.4	22.6
Adj. PAT Margin	9.0	13.6	14.9	14.9	14.7
ROCE	7.0	14.1	19.3	21.3	22.7
ROE	8.9	14.4	17.2	17.8	18.5
Angel (ROIC)	7.4	14.7	21.3	25.2	29.2
Per Share Data (₹)					
Adj. EPS	51	88	120	143	174
Adj. CEPS	70	113	147	178	215
BVPS	585	647	747	867	1015
Valuations (X)					
PER	58.4	33.5	24.6	20.6	17.0
P/BV	5.1	4.6	4.0	3.4	2.9
EV / EBITDA	46.1	25.0	16.7	12.9	10.1
EV / Net sales	5.3	4.6	3.6	2.9	2.3
Dividend Yield (%)	0.5	0.6	0.6	0.7	0.7
Turnover Days					
Asset Turnover (Gross Block)	1.3	1.5	1.8	2.1	2.4
Inventory days	88	78	80	76	69
Debtors days	74	79	77	77	76
Creditors days	119	115	116	110	100
Working Capital Days	43	42	40	43	45
Gearing Ratio					
Total Debt to Equity	0	0	0	0	0

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DISCLAIMER

Disclosure of Interest Statement	**Navin Fluroine**
1. Financial interest of research analyst or Angel or his Associate or his relative	No
2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives	No
3. Served as an officer, director or employee of the company covered under Research	No
4. Broking relationship with company covered under Research	No

Ratings (Based on expected returns over 12 months investment period):	*Buy (> 15%)*	*Accumulate (5% to 15%)* *Reduce (-5% to -15%)*	*Neutral (-5 to 5%)* *Sell (< -15)*