

November 14, 2025

Company Update

■ Change in Estimates | Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	6,441		5,601	
Sales (Rs. m)	36,251	42,995	36,251	42,995
% Chng.	-	-	-	-
EBITDA (Rs. m)	10,440	12,655	10,440	12,655
% Chng.	-	-	-	-
EPS (Rs.)	124.1	155.6	124.1	155.6
% Chng.	-	-	-	-

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	23,494	29,980	36,251	42,995
EBITDA (Rs. m)	5,337	8,608	10,440	12,655
Margin (%)	22.7	28.7	28.8	29.4
PAT (Rs. m)	2,886	5,007	6,157	7,719
EPS (Rs.)	58.2	100.9	124.1	155.6
Gr. (%)	32.0	73.5	23.0	25.4
DPS (Rs.)	12.0	20.8	25.5	32.0
Yield (%)	0.2	0.3	0.4	0.5
RoE (%)	11.5	17.7	18.8	20.2
RoCE (%)	10.6	15.6	16.6	18.8
EV/Sales (x)	13.3	10.6	8.7	7.3
EV/EBITDA (x)	58.5	36.9	30.4	24.9
PE (x)	103.4	59.6	48.5	38.6
P/BV (x)	11.4	9.9	8.5	7.2

Key Data

NAFL.BO | NFIL IN

52-W High / Low	Rs.6,138 / Rs.3,180
Sensex / Nifty	84,563 / 25,910
Market Cap	Rs.308bn/ \$ 3,473m
Shares Outstanding	51m
3M Avg. Daily Value	Rs.1359.15m

Shareholding Pattern (%)

Promoter's	27.12
Foreign	22.15
Domestic Institution	29.57
Public & Others	21.16
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	22.8	40.6	81.7
Relative	19.2	35.2	66.7

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CDMO deep dive

Quick Pointers:

- CDMO achieved a sales of Rs2.3bn in H1FY26, +56.4% YoY
- Expect acceleration with commercial ramp up of end products

With its expertise in fluorine chemistry and deep relationship with pharma innovator companies developed over years, CDMO segment of Navin Fluorine (NFIL) is expected to deliver a strong 39% CAGR in FY25-28E. Our deep dive suggests that sales of darolutamide has risen by a CAGR of 56.6% in past 3 years (for Orion to Bayer) and is likely to reach peak sales of +USD3bn (to market). Additionally, the intermediate being supplied to GSK is likely for a product which is expected to be commercialized in 2027 and is also expected to be a blockbuster drug (annual sales >USD1bn). NFIL showed a strong upside post its Q2FY26 results and has given a return of 81.6% in past one year. It is currently trading at 39x FY28 EPS of Rs155.8 (consensus Rs156.4). With several potential triggers in place, the company's EPS may witness further upgrades going forward, supporting additional upside in the stock. Accordingly, we raise our target price to Rs6,441 (from Rs5,601 earlier), valuing it at 46x Sep'27 EPS, and maintain our Accumulate recommendation.

- Darolutamide expected to see approval for more indications:** NFIL has been supplying intermediate to Fermion for darolutamide. The drug patented by Orion Pharma and codeveloped by Bayer was first approved for nmCRPC (non-metastatic Castration Resistant Prostate Cancer) in the US in 2019 and in Japan and EU in 2020. The drug has also been approved for mHSPC (metastatic Hormone Sensitive Prostrate Cancer) in EU/China in 2023 and in the US in Jun-2025. It is also being studied for BCR (bio-chemical recurrence in prostate cancer) in combination with ADT (Androgen Deprivation Therapy), with clinical trials started in 2023 and expected to be completed in 2025. Fermion is the manufacturer of darolutamide to which NFIL supplies the intermediate. Orion, which sells darolutamide to Bayer, registered a CAGR of 56.6% since CY22. Bayer had upgraded its earlier guidance of peak sales of darolutamide from USD1bn to +USD3bn.
- Another intermediate likely for another blockbuster product:** The export data suggests that NFIL has been supplying a diethoxyacetyl intermediate to GSK for its drug undergoing clinical trials. Our study suggests that this might be an intermediate of camliplixant, which contains the same active group. GSK acquired this drug from Bellus Healthcare. This drug is meant for Refractory Chronic Cough (RCC) and is expected to be launched in a year or two. Just US sales is expected to be of +USD1bn. This could further boost CDMO segment of NFIL.
- Valuation and recommendation:** We expect positive triggers in the stock- 1) possible extension of contract with Honeywell for HFO value chain, 2) commissioning of recently announced 15mtmpa R32-equivalent expansion, 3) CDMO growth led by near-to-market or commercial products and 4) further expansion of contract with Chemours post pilot. EPS CAGR during FY25-28E

is 39%, the stock trades at 39x FY28 EPS of Rs155.8 (consensus Rs156.4). With several potential triggers on the horizon, we expect further upside in the stock. Accordingly, we raise our target price to Rs6,441 (from Rs5,601 earlier) and maintain our Accumulate recommendation.

- **Navin could potentially witness an additional ~29% uplift in its EPS, under certain favourable scenarios:** Should the planned 15tmtpa R32-equivalent incremental capacity ramp up ahead of expectations, it may create an additional revenue opportunity of ~Rs3bn over and above our base case. Additionally, a potential extension into Honeywell's value chain could unlock a further Rs2-3bn, and with a possible Rs2.5bn incremental contribution from the CDMO segment, Navin's revenue has an upside potential of nearly 18%. Assuming all other factors remain unchanged, this could translate into a 29% uplift in EPS, taking our FY28E estimate from Rs155.8 to Rs201.8 for FY28. At this EPS, the stock would be trading at 30x FY28E EPS.

Exhibit 1: NFIL numbers incremental to our base case

(Rs mn)	FY28E	Incremental to our base case
Base case revenue	42,995	42,995
HFO extension		2,300
R32		3,000
CDMO		2,500
Best case revenue		50,795
EBITDAM (%)		29.40%
EBITDA	12,655	14,934
Incremental EBITDA		2,279
EPS (Rs)	155.8	201.8
Incremental EPS (Rs)		46

Source: Company, PL * The incremental EPS is calculated under the assumption that all other operating parameters remain constant

NFIL supplies intermediate to Fermion, which is the manufacturing partner for Orion Pharma, the innovator for darolutamide

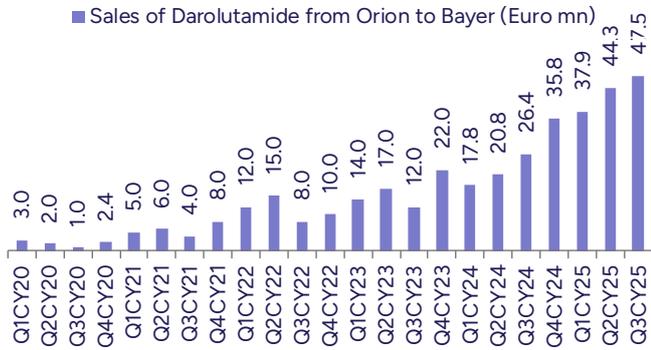
Darolutamide is commercialized for nmCRPC, is being commercialized for mHSPC and clinical trials are ongoing for BCR

Exhibit 2: Key timelines for darolutamide

Year	Event	Indication	Remarks
2014	Start of ARAMIS	nmCRPC	
2018	Completion of ARAMIS		in combination with ADT
2016	Start of ARASENS	mHSPC	in combination with ADT/docetaxel
2019	Marketing authorization in US	nmCRPC	
Jan-20	Marketing authorization in Japan	nmCRPC	
Mar-20	Marketing authorization in EU	nmCRPC	
Mar-21	Commencement of Phase-III ARANOTE	mHSPC	
Dec-21	Completion of ARASENS	mHSPC	
Dec-21	End of Phase-III ARANOTE	mHSPC	
Feb-23	Marketing authorization in Japan	mHSPC	
Mar-23	Marketing authorization in EU	mHSPC	
Mar-23	Marketing authorization in China	mHSPC	
Apr-23	Commencement of ARASTEP	BCR	in combination with ADT
Jun-25	Marketing authorization in US	mHSPC	

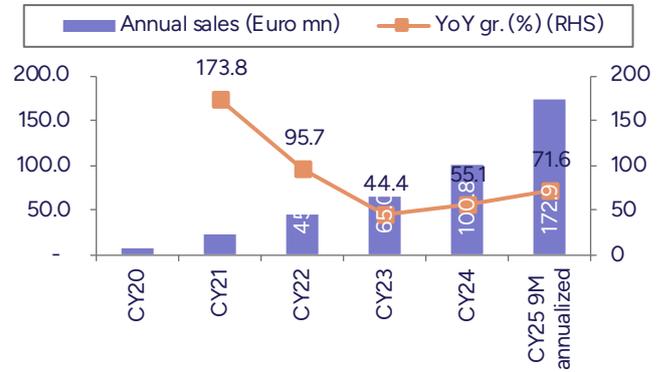
Source: Orion Pharma, PL

Exhibit 3: Quarterly sales of darolutamide (Orion to Bayer) (Euro mn)



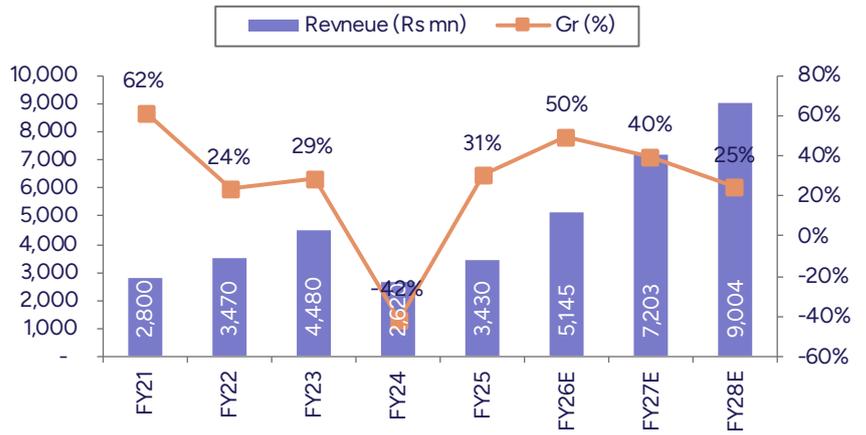
Source: Orion Pharma, PL

Exhibit 4: Annual sales of darolutamide (Orion to Bayer, Euro mn)



Source: Orion Pharma, PL

Exhibit 5: Our assumption for CDMO segment of NFIL

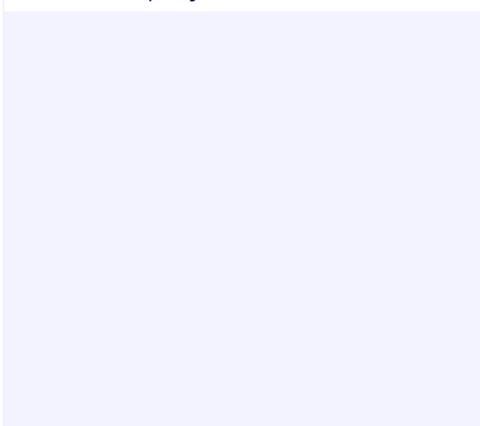


Source: Company, PL

Exhibit 6: GSK's Phase-III pipeline

Compound number	Generic name	Brand name	Therapeutic area	Indication	Current Phase	Mode of Action / Vaccine Type	In-license or other alliance relationship with third party
GSK3511294	depemokimab		Respiratory, Immunology and Inflammation	Eosinophilic granulomatosis with polyangiitis (EGPA)	Phase III	Long-acting anti-interleukin 5 (IL5) antibody	Yes
GSK3511294	depemokimab		Respiratory, Immunology and Inflammation	Hypereosinophilic syndrome (HES)	Phase III	Long-acting anti-interleukin 5 (IL5) antibody	Yes
GSK3511294	depemokimab		Respiratory, Immunology and Inflammation	Chronic obstructive pulmonary disease (COPD)	Phase III	Long-acting anti-interleukin 5 (IL5) antibody	Yes
GSK5464714	camlipixant		Respiratory, Immunology and Inflammation	Refractory chronic cough (RCC)	Phase III	P2X3 receptor antagonist	
GSK4527223 (AL001)	latozinemab		Respiratory, Immunology and Inflammation	Frontotemporal dementia (FTD) due to heterozygous mutations in the progranulin gene	Phase III	Anti-sortilin monoclonal antibody	Yes
AH3365	salbutamol	Ventolin	Respiratory, Immunology and Inflammation	Asthma, low carbon version of metered dose inhaler	Phase III	Beta 2 adrenergic receptor agonist	
GSK1550188	belimumab	Benlysta	Respiratory, Immunology and Inflammation	Interstitial lung disease associated with connective tissue disease	Phase III	Anti-B lymphocyte stimulator (BLys) monoclonal antibody	
GSK2857916	belantamab mafodotin	Blenrep	Oncology	1L Multiple myeloma combination with Revlimid and dexamethasone	Phase III	ADC targeting B-cell maturation antigen	Yes
GSK5764227			Oncology	Extensive-stage small-cell lung cancer	Phase III	ADC targeting B7-H3	Yes
GSK4057190 (TSR-042)	dostarlimab	Jemperli	Oncology	Peri-operative dMMR/MSI-H colon cancer	Phase III	Anti-programmed cell death protein 1 receptor (PD-1) antibody	Yes
GSK4057190 (TSR-042)	dostarlimab	Jemperli	Oncology	Unresected head and neck squamous cell carcinoma	Phase III	Anti-programmed cell death protein 1 receptor (PD-1) antibody	Yes
GSK3985771	niraparib	Zejula	Oncology	Newly diagnosed glioblastoma multiforme	Phase III	Poly (ADP-ribose) polymerase (PARP) 1/2 inhibitor	Yes
GSK3228836	bepirovirsen		Infectious Diseases	Chronic hepatitis B virus infection	Phase III	HBV antisense oligonucleotide	Yes
GSK3536829	Men B vaccine	Bexsero	Infectious Diseases	Prevention of invasive disease caused by N. meningitidis serogroup B in individuals 2 months of age and older (US)	Phase III	Recombinant protein and outer membrane vesicle vaccine	
GSK4178116	Varicella new seed		Infectious Diseases	Active immunization for the prevention of varicella in individuals 12 months of age and older	Phase III	Live, attenuated vaccine	
GSK3778712	tebipenem pivoxil		Infectious Diseases	Complicated urinary tract infection (cUTI)	Phase III	Antibacterial carbapenem	Yes

Source: Company, PL



Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	23,494	29,980	36,251	42,995
YoY gr. (%)	13.8	27.6	20.9	18.6
Cost of Goods Sold	10,386	12,742	15,334	18,187
Gross Profit	13,108	17,239	20,917	24,808
Margin (%)	55.8	57.5	57.7	57.7
Employee Cost	2,967	3,234	3,589	3,984
Other Expenses	4,804	5,396	6,888	8,169
EBITDA	5,337	8,608	10,440	12,655
YoY gr. (%)	34.0	61.3	21.3	21.2
Margin (%)	22.7	28.7	28.8	29.4
Depreciation and Amortization	1,194	1,495	1,743	1,968
EBIT	4,143	7,113	8,697	10,687
Margin (%)	17.6	23.7	24.0	24.9
Net Interest	779	1,037	1,141	1,084
Other Income	437	600	653	688
Profit Before Tax	3,801	6,676	8,209	10,291
Margin (%)	16.2	22.3	22.6	23.9
Total Tax	915	1,669	2,052	2,573
Effective tax rate (%)	24.1	25.0	25.0	25.0
Profit after tax	2,886	5,007	6,157	7,719
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	2,886	5,007	6,157	7,719
YoY gr. (%)	32.2	73.5	23.0	25.4
Margin (%)	12.3	16.7	17.0	18.0
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	2,886	5,007	6,157	7,719
YoY gr. (%)	32.2	73.5	23.0	25.4
Margin (%)	12.3	16.7	17.0	18.0
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,886	5,007	6,157	7,719
Equity Shares O/s (m)	50	50	50	50
EPS (Rs)	58.2	100.9	124.1	155.6

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	30,225	36,225	41,225	46,225
Tangibles	30,225	36,225	41,225	46,225
Intangibles	-	-	-	-
Acc: Dep / Amortization	4,721	6,216	7,958	9,926
Tangibles	4,721	6,216	7,958	9,926
Intangibles	-	-	-	-
Net fixed assets	25,505	30,010	33,267	36,299
Tangibles	25,505	30,010	33,267	36,299
Intangibles	-	-	-	-
Capital Work In Progress	3,498	3,498	3,498	3,498
Goodwill	-	-	-	-
Non-Current Investments	4,799	4,799	4,799	4,799
Net Deferred tax assets	(754)	(754)	(754)	(754)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	3,224	3,795	4,584	5,388
Trade receivables	5,824	8,132	9,833	11,662
Cash & Bank Balance	405	1,074	295	962
Other Current Assets	5,048	5,048	5,048	5,048
Total Assets	48,304	56,356	61,323	67,656
Equity				
Equity Share Capital	99	99	99	99
Other Equity	26,163	30,140	35,030	41,161
Total Networkth	26,262	30,239	35,129	41,260
Non-Current Liabilities				
Long Term borrowings	14,407	20,170	19,162	18,204
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	3,270	586	707	831
Other current liabilities	3,611	4,607	5,571	6,607
Total Equity & Liabilities	48,304	56,356	61,323	67,656

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	3,801	6,676	8,209	10,291
Add. Depreciation	1,194	1,495	1,743	1,968
Add. Interest	779	1,037	1,141	1,084
Less Financial Other Income	437	600	653	688
Add. Other	8	-	-	-
Op. profit before WC changes	5,783	9,208	11,092	13,343
Net Changes-WC	933	(4,566)	(1,404)	(1,473)
Direct tax	(780)	(1,669)	(2,052)	(2,573)
Net cash from Op. activities	5,935	2,974	7,636	9,297
Capital expenditures	(5,611)	(6,000)	(5,000)	(5,000)
Interest / Dividend Income	17	-	-	-
Others	484	-	-	-
Net Cash from Inv. activities	(5,111)	(6,000)	(5,000)	(5,000)
Issue of share cap. / premium	-	-	-	-
Debt changes	1,014	5,763	(1,009)	(958)
Dividend paid	(595)	(1,030)	(1,267)	(1,588)
Interest paid	(786)	(1,037)	(1,141)	(1,084)
Others	-	-	-	-
Net cash from Fin. activities	(366)	3,696	(3,416)	(3,630)
Net change in cash	458	669	(780)	667
Free Cash Flow	324	(3,026)	2,636	4,297

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	58.2	100.9	124.1	155.6
CEPS	82.3	131.1	159.3	195.3
BVPS	529.5	609.7	708.2	831.9
FCF	6.5	(61.0)	53.1	86.6
DPS	12.0	20.8	25.5	32.0
Return Ratio(%)				
RoCE	10.6	15.6	16.6	18.8
ROIC	8.1	11.9	12.6	14.2
RoE	11.5	17.7	18.8	20.2
Balance Sheet				
Net Debt : Equity (x)	0.5	0.6	0.5	0.4
Net Working Capital (Days)	90	138	138	138
Valuation(x)				
PER	103.4	59.6	48.5	38.6
P/B	11.4	9.9	8.5	7.2
P/CEPS	73.1	45.9	37.8	30.8
EV/EBITDA	58.5	36.9	30.4	24.9
EV/Sales	13.3	10.6	8.7	7.3
Dividend Yield (%)	0.2	0.3	0.4	0.5

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Net Revenue	6,062	7,009	7,254	7,584
YoY gr. (%)	20.8	16.4	38.5	46.3
Raw Material Expenses	2,632	3,211	3,077	3,129
Gross Profit	3,430	3,799	4,177	4,455
Margin (%)	56.6	54.2	57.6	58.7
EBITDA	1,473	1,787	2,068	2,462
YoY gr. (%)	94.7	62.4	106.1	129.3
Margin (%)	24.3	25.5	28.5	32.5
Depreciation / Depletion	296	353	352	366
EBIT	1,178	1,435	1,716	2,096
Margin (%)	19.4	20.5	23.6	27.6
Net Interest	202	282	304	303
Other Income	105	118	139	182
Profit before Tax	1,080	1,271	1,551	1,975
Margin (%)	17.8	18.1	21.4	26.0
Total Tax	244	320	379	491
Effective tax rate (%)	22.6	25.2	24.5	24.9
Profit after Tax	836	950	1,172	1,484
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	836	950	1,172	1,484
YoY gr. (%)	7.2	35.0	128.8	152.2
Margin (%)	13.8	13.6	16.2	19.6
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	836	950	1,172	1,484
YoY gr. (%)	7.2	35.0	128.8	152.2
Margin (%)	13.8	13.6	16.2	19.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	-	-
Avg. Shares O/s (m)	50	50	50	50
EPS (Rs)	16.7	19.0	23.4	29.7

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	30-Oct-25	Accumulate	5,601	5,009
2	07-Oct-25	Accumulate	5,196	4,568
3	31-Jul-25	Accumulate	5,559	5,198
4	07-Jul-25	Accumulate	5,161	4,933
5	10-May-25	Accumulate	5,161	4,595
6	08-Apr-25	Accumulate	4,454	3,880
7	31-Jan-25	Accumulate	4,373	3,908
8	08-Jan-25	Accumulate	3,672	3,478

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Hold	403	392
2	Bharat Petroleum Corporation	Hold	361	357
3	Bharti Airtel	Accumulate	2,259	2,113
4	Clean Science and Technology	Hold	1,002	981
5	Deepak Nitrite	Hold	1,924	1,844
6	Fine Organic Industries	BUY	5,386	4,346
7	GAIL (India)	BUY	211	180
8	Gujarat Fluorochemicals	Hold	3,637	3,480
9	Gujarat Gas	Hold	415	408
10	Gujarat State Petronet	Hold	311	301
11	Hindustan Petroleum Corporation	Hold	476	476
12	Indian Oil Corporation	Accumulate	166	155
13	Indraprastha Gas	Reduce	192	209
14	Jubilant Ingrevia	Hold	695	677
15	Laxmi Organic Industries	Reduce	192	198
16	Mahanagar Gas	BUY	1,531	1,271
17	Mangalore Refinery & Petrochemicals	Accumulate	159	142
18	Navin Fluorine International	Accumulate	5,601	5,009
19	NOCIL	Hold	185	181
20	Oil & Natural Gas Corporation	BUY	292	249
21	Oil India	BUY	525	415
22	Petronet LNG	Hold	290	278
23	Reliance Industries	BUY	1,668	1,417
24	SRF	Hold	3,123	3,028
25	Vinati Organics	BUY	1,915	1,662

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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