

Navin Fluorine International Limited

(Formerly known as Polyolefins Rubber Chemicals Limited)

Regd. Office : Kalpataru Point, 1st Floor, Kamani Marg, Sion (E), Mumbai - 400 022
Audited Financial Results for the Year ended 31st March, 2005

(Rs. in Lacs)

Sl. No.	PARTICULARS	Nine months	Quarter	Quarter	Year ended	Year ended	Consolidated
		ended 31.12.2004	ended 31.03.2005	ended 31.03.2004	31.03.2005	31.03.2004	Year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	31.03.2005
		(1)	(2)	(3)	(4)	(5)	(6)
1	Net Sales /Income from operations	16,198.66	6,380.82	4,916.65	22,579.48	19,372.74	27,363.26
2	Other Income	897.00	1,235.85	365.83	2,132.85	625.04	2,621.96
		17,095.66	7,616.67	5,282.48	24,712.33	19,997.78	29,985.22
3	Total Expenditure						
	(A) (Increase)/ Decrease in stocks	(211.78)	23.87	178.78	(187.91)	(389.92)	54.50
	(B) Consumption of Raw Materials / Purchase of Trading Goods	8,347.50	3,674.64	1,982.67	12,022.14	9,230.72	14,340.38
	(C) Staff Cost	880.58	386.01	353.54	1,266.59	1,191.19	1,533.42
	(D) Power and Fuel	924.05	325.27	312.48	1,249.32	1,498.61	1,871.25
	(E) Other Expenditure	3,216.56	1,567.46	1,214.22	4,784.02	4,040.61	5,534.47
4	Interest	534.84	175.83	203.81	710.67	427.68	914.50
5	Depreciation	488.16	168.52	135.00	656.68	536.04	1,226.73
		14,179.91	6,321.60	4,380.50	20,501.51	16,534.93	25,475.25
6	Profit before Exceptional Items and Tax	2,915.75	1,295.07	901.98	4,210.82	3,462.85	4,509.97
7	Exceptional Items						
	- Provision for Advances	(420.70)	420.70	(340.00)	-	(3,959.13)	-
	- Provision for Advances written back	-	7,229.30	-	7,229.30	-	7,229.30
	- Provision for diminution in value of long term investments	-	(5,940.00)	-	(5,940.00)	-	(5,940.00)
	- Loss on sale of long term investments	-	(2,970.08)	-	(2,970.08)	-	(2,970.08)
	- Stamp duty, registration and other expenses	(500.00)	-	-	(500.00)	-	(500.00)
8	Profit/ (Loss) before Tax	1,995.05	34.99	561.98	2,030.04	(496.28)	2,329.19
9	Provision for Tax						
	Current Tax	(837.50)	395.79	(213.85)	(441.71)	(663.85)	(566.31)
	Deferred Tax	(71.00)	(1,275.00)	35.00	(1,346.00)	910.00	(1,280.52)
10	Profit/ (Loss) after Tax	1,086.55	(844.22)	383.13	242.33	(250.13)	482.36
11	Minority interest						0.03
12	Profit after Minority Interest						482.39
13	Paid up Equity Share Capital (Face value of Rs. 10/- per share)	757.81	757.81	505.00	757.81	505.00	757.81
14	Reserves excluding revaluation reserve				14,179.60	12,512.70	14,582.54
15	Earnings per share (in Rs.)						
	Basic	16.78	(12.51)	6.31	3.59	(4.12)	7.15
	Diluted	15.21	(10.72)	6.31	3.08	(4.12)	6.13
16	Aggregate of non-promoter shareholding of fully paid-up shares						
	- Number of Shares	3,369,003	3,369,103	3,362,766	3,369,103	3,362,766	3,369,103
	- Percentage of Shareholding	66.63	66.63	66.59	66.63	66.59	66.63
	Aggregate of non-promoter shareholding of partly paid-up shares						
	- Number of Shares	2,978,288	2,978,248	-	2,978,248	-	2,978,248
	- Percentage of Shareholding	59.05	59.05	-	59.05	-	59.05

NOTES

- 1 The name of the Company was changed to Navin Fluorine International Limited (NFIL) with effect from 6th October, 2004. A fresh certificate of incorporation has been received in this regard.
- 2 Pursuant to the BIFR sanctioned scheme (SS) of Mafatlat Industries Limited (MIL), the Company came out with rights issue of 50,49,999 equity shares of Rs. 10/- each, in the ratio of 1:1, at a price of Rs. 60/- per share (including premium). The issue was open for the period from 21st August, 2004 to 24th September, 2004. Allotment there-against was made on 20th October, 2004.
- 3 As per the SS of MIL, Sulakshana Securities Limited (SSL), has been created to take over certain identified assets and term loan liabilities of MIL with the objective of repaying them by disposing off the assets thus transferred. NFIL is required to give a corporate guarantee to the effect that in case SSL fails to discharge the settled liabilities to the secured term lenders within thirty months of the SS, it would meet the liability for the unpaid amount with rights (as available to a guarantor under sections 140 and 141 of the Indian Contracts Act) on the remaining assets of SSL. MIL/ SSL has since executed a 'debt-asset swap' agreement with the Industrial Development Bank of India (IDBI), for settlement of its dues, aggregating to Rs. 9,629.00 lacs. As a part of this arrangement, NFIL gave a corporate guarantee for Rs. 1,000.00 lacs to make good shortfall, if any, between the swap value (Rs. 9,858.00 lacs) and the actual consideration at which the lender may sell these assets between the 5th and the 9th year from the date of this 'debt-asset swap' agreement. The said agreement requires the Company to create a reserve of Rs. 1,000.00 lacs equitably over four financial years beginning financial year 2005-06. NFIL was also required to duty, registration and other expenses in connection with the transfer of assets upto a maximum of Rs. 500.00 lacs, which has been charged off to the Profit and Loss account and disclosed as an exceptional item.
- 4 The Board of Directors have recommended a dividend of 20 % for the year, as under:
 - Rs. 2/- per share on fully paid shares of the nominal value of Rs. 10/- each;
 - For shares issued during the year 2004-05, Re. 0.89 per share on 6,337 fully paid shares of Rs.10/- each and Re. 0.45 per share on 50,43,553 partly paid shares (Rs. 5/- paid-up), pro-rata from the date of allotment, i.e. 20th October, 2004. Aggregate amount of dividend payable on partly paid shares issued during the year is Rs. 22.52 lacs and on fully paid shares is Rs. 0.06 lacs.
- 5 In terms of the SS of MIL, SSL became a subsidiary of the Company, effective 15th November, 2004 and became a wholly owned subsidiary, effective 31st March 2005.
- 6 The Company has completed funding of Rs. 9,000.00 lacs to MIL, as required under the SS. Against this, MIL issued 9,00,00,000 Optionally Convertible Fully Redeemable Non-Cumulative preference Shares of Rs. 10/- each. During the quarter, out of the above mentioned shares, the Company sold 3,00,00,000 shares at an aggregate value of Rs. 30.00 lacs. Consequently, and also in view of the huge negative net worth of MIL, provision for the balance 6,00,00,000 preference shares has been made, in effect writing down the carrying value to Rs. 60.00 lacs, and provision made against the funding till 31st March, 2004 written back. All these transactions have been disclosed as exceptional items.
- 7 Other income for quarter ended 31st March, 2005, includes amounts aggregating to Rs. 1,005.79 lacs (aggregate to date for the year - Rs. 1,553.39 lacs) in respect of profit on sale of fixed assets.
- 8 Share issue expenses were charged to the Profit and Loss account last year and in the preceding three quarters of the current year. The amount thus charged off in the preceding three quarters, aggregating to Rs. 148.19 lacs, has now been adjusted against the share premium account.
- 9 There were no complaints from investors pending at the beginning of the quarter. The Company received and resolved sixty-seven such complaints during the quarter (two hundred and sixty-four complaints during the year) and consequently there are no complaints pending at the end of the quarter.
- 10 This being the first year when the Company has subsidiaries, consolidated financial results are presented only for the year ended 31st March, 2005. The consolidated results include the financial results of two subsidiaries, SSL and Urvija Associates and a joint venture, Mafatlat Burlington Industries Limited. The numbers of the other joint venture, Molex Mafatlat Micron Private Limited, have not been consolidated as its audited financial statements were not available.
- 11 The Company operates solely in the chemical business segment, but there are two reportable (primary) business segments in the consolidated financial statements, chemicals and textiles.
- 12 Previous year/ period's figures have been regrouped, wherever necessary, to correspond with those of the current period.
- 13 The audited results of the quarter/ year ended 31st March, 2005 have been taken on record by the Board of Directors at its meeting held on 27th May, 2005.

For Navin Fluorine International Limited

Mumbai dated, 27th May, 2005

(H.A. Mafatlat)
Chairman & Managing Director