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November 30, 2017

Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001
Stock Code: 532504

National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai 400051.
Stock Code: NAVINFLUOR EQ

Dear Sirs,

Sub.: Disclosure under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 – Sale of Undertaking at Dahej, Gujarat

We refer to our earlier disclosures made as under:

1. Letter dated August 27, 2014 intimating that the Company and Piramal Enterprises Ltd. had agreed to form a Joint Venture Company to develop, manufacture and sell Specialty Fluorochemicals with specific focus on healthcare.
2. Letter dated April 20, 2017 intimating that subject to approval of the Members of the Company, the Board of Directors had decided that the facility relating to manufacture of Specialty Fluorochemicals set up at Dahej be transferred to the Joint Venture Company – Convergence Chemicals Pvt. Ltd. (CCPL) as envisaged in the Joint Venture Agreement. Along with the said letter, requisite details required under the above Regulation were also furnished.
3. Letter dated July 6, 2017 intimating that the Special Resolution for transfer of the above undertaking to CCPL has been passed by the shareholders through postal ballot.

We wish to further inform you that with effect from December 1, 2017 the business relating to the manufacture and sale of Specialty Fluorochemicals being conducted at Dahej is being transferred to CCPL as a going concern together with all the identified assets, liabilities, consents, permissions etc. on a slump sale basis at the net book value of that business undertaking.



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The other requisite disclosures under Regulation 30 are as under:

- a. The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year:

As on March 31, 2017, the operations of the aforesaid unit resulted in revenue from operations (net) of Rs.1578 lakhs (2.25% of the standalone turnover of the Company) and operating loss of Rs.11.41 lakhs.

- b. Date on which the agreement for sale has been entered into:

Joint Venture and Shareholder Agreement dated August 27, 2014 and consequential Business Transfer Agreement dated October 30, 2017.

- c. The expected date of completion of sale/disposal:

The Unit is sold/transferred/hived off with effect from December 1, 2017 subject to documentation for land and building being completed upon receipt of requisite approval from GIDC.

- d. Consideration from such sale/disposal:

Base Purchase Price of Rs. 166.40 Crores, subject to relevant balance sheet adjustments for this unit, as on Closing Date of 30th Nov 2017; out of which Rs.135.18 Crores has been received over a period of time and the balance consideration will be received within next few weeks.

- e. Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof:

Transferee is not a part of the Promoter/Promoter Group. The Transferee CCPL is a Joint Venture Company incorporated pursuant to the said Joint Venture with Piramal Enterprises Ltd. The shareholding of the Company and Piramal Enterprises Ltd. in CCPL is in the ratio of 49:51.



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- f. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length":

As the Company holds 49% of the Issued and Paid-up share capital of CCPL, (the balance 51% being held by Piramal Enterprises Ltd.), the said CCPL is technically a related party as contemplated in Section 188 read with Section 2(76) of the Companies Act, 2013, though the Promoters of the Company and/or Key Managerial Personnel of the Company or their Relatives have no direct or indirect personal interest (except as the shareholders of the Company) in the said transaction. The undertaking is sold on a slump sale basis, at the net book value of that business undertaking as approved by the shareholders of the Company.

- g. Indicative disclosures provided for amalgamation/merger with respect to slump sale:

The strategic Joint Venture leverages the Company's Fluorochemicals capabilities and Piramal Enterprises Ltd.'s strong presence in healthcare. With the increasing importance of fluorine in life sciences, there is a considerable potential to exploit the synergies between the two companies. CCPL will not be a listed entity. All other indicative disclosures have been furnished herein above.

Kindly take the above on your records.

Thanking you,

Yours faithfully,
For Navin Fluorine International Limited,

Niraj B. Mankad
Vice-President Legal & Company Secretary