

Navin Fluorine

Refer to important disclosures at the end of this report

Margins holding firm; growth story intact

CMP: Rs 1,741
as of (July 30, 2020)

TP: Rs 1,925 (▲)
12 months

Rating: BUY (■)

Upside: 10.6 %



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- NFIL's consolidated sales came in below estimates (down 14.6% yoy). Despite growth in export markets (up 15% yoy) arising from Specialty Chemicals and CRAMS (up 56%/36% yoy), a steep decline in the domestic market limited overall growth.
- EBITDA slipped 12% yoy, but margins remained stable as gross margin expanded 550bps yoy on better revenue mix. However, further margin improvement was arrested by elevated employee costs on gross block expansion (cGMP – 3 plant).
- Management is confident of a strong performance in CRAMS and Specialty Chemicals segments on the back of the solid order book in both segments. NFIL is evaluating scope for capex in Specialty Chemicals and is likely to announce one in a few months.
- We remain upbeat on the stock, considering a strong long-term outlook in the Specialty Chemicals segment, CRAMS improvement and a large order win. We maintain Buy and OW in our EAP, with a revised TP of Rs1925 (28x Sept'22E EPS).

Industrials and Agro drive Specialty gains: Overall, Q1FY21 revenues slipped 14.6% yoy to Rs2.15bn, slightly offset by a strong performance in Specialty Chemicals (+12.8% yoy) and CRAMS (+36% yoy). Despite sales loss of ~Rs120mn due to Covid-19, Specialty Chemicals gained market share in export markets from buoyant demand for Industrial, Agrochemical and Pharmaceuticals intermediates, however, the domestic business remained under pressure due to intermittent Covid-19 lockdowns. The CRAMS segment grew 36% yoy on lower revenue base, yet slipped 37% qoq on adverse end-user demand in export markets. Inorganic Fluorides (down 47% yoy) faced headwinds in export and domestic markets on weak volume offtake in both stainless steel and glass industries. Refrigerants too reported a 41% yoy decline, mainly due to the complete cessation of trade and manufacturing activity in the domestic market along with underlying inventory rationalization in export markets.

Strong growth phase ahead: Positive growth enhancing indicators, including gross block expansion in addition to strong order book in hand in the CRAMS and Specialty segments, should benefit topline in FY21. NFIL is confident of capitalizing on new opportunities in the long term emerging from complex chemistries, including HPP, manufacturing for which shall begin from Q4FY22 and commercialization from FY23. Refrigerant gas trading activity has resumed from June with prices moving upward, which shall aid revenues reeling under pressure from lower offtake from OEMs. Inorganic fluoride shall also bounce back with steel industry gradually operating at optimum levels.

Robust outlook; maintain Buy: Strong outlook in high-margin Specialty Chemicals and CRAMS businesses and big order execution remain the key triggers for the stock. We maintain our Buy rating on the stock, with a revised TP of Rs1,925 from Rs1,850 (28x Sept'22E EPS) and OW in our EAP. Key downside risks: Increasing raw material prices and any delay in stabilization of the CGMP-3 plant.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Speciality Chemicals \(page 11\)](#)

Financial Snapshot (Consolidated)

(Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	9,959	10,616	11,710	14,290	20,492
EBITDA	2,184	2,635	2,954	3,698	5,354
EBITDA Margin (%)	21.9	24.8	25.2	25.9	26.1
APAT	1,491	4,086	2,115	2,674	3,976
EPS (Rs)	30.2	82.6	42.7	54.1	80.4
EPS (% chg)	(17.2)	173.9	(48.2)	26.5	48.7
ROE (%)	14.5	32.9	14.2	16.0	20.4
P/E (x)	57.7	21.1	40.7	32.2	21.7
EV/EBITDA (x)	39.4	31.7	28.5	23.0	15.8
P/BV (x)	8.0	6.1	5.5	4.8	4.1

Source: Company, Emkay Research



Change in Estimates

EPS Chg FY21E/FY22E (%)	3.3/ 0
Target Price change (%)	4.1
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

	EPS Estimates	
	FY21E	FY22E
Emkay	42.7	54.1
Consensus	45.4	55.2
Mean Consensus TP (12M)	Rs 1,782	

Stock Details

Bloomberg Code	NFIL IN
Face Value (Rs)	2
Shares outstanding (mn)	49
52 Week H/L	1,915 / 575
M Cap (Rs bn/USD bn)	86 / 1.15
Daily Avg Volume (nos.)	1,66,384
Daily Avg Turnover (US\$ mn)	3.6

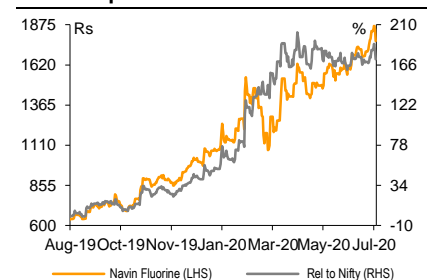
Shareholding Pattern Jun '20

Promoters	30.5%
FIIs	19.4%
DIIIs	18.9%
Public and Others	31.2%

Price Performance

(%)	1M	3M	6M	12M
Absolute	7	11	46	189
Rel. to Nifty	-	(2)	58	189

Relative price chart



Source: Bloomberg

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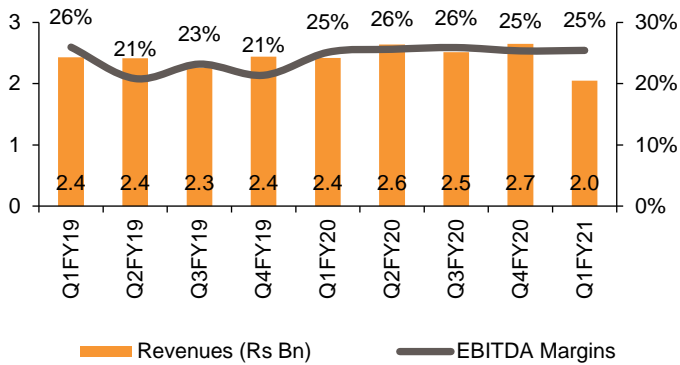
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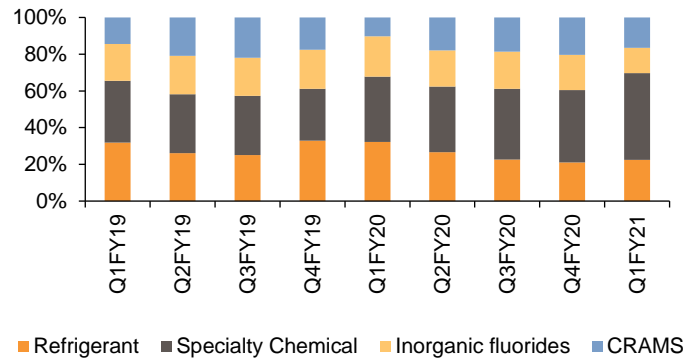
Story in Charts

Exhibit 1: Steady margins on weak revenue base as a result of gross margin expansion



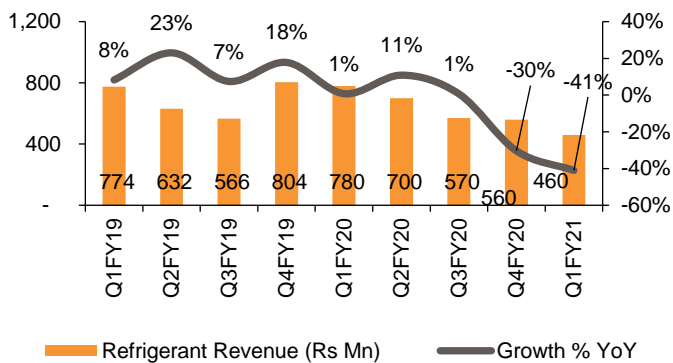
Source: Company, Emkay Research

Exhibit 2: Export markets help sustain Specialty leadership



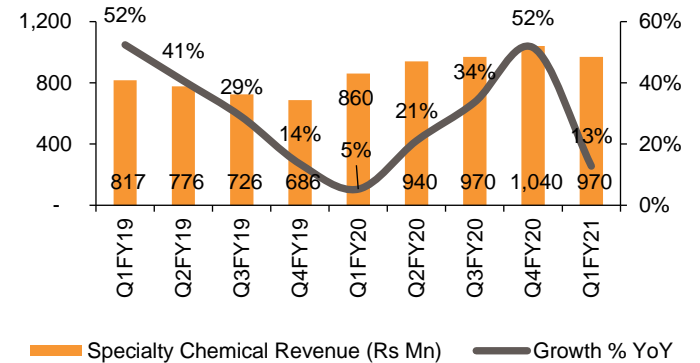
Source: Company, Emkay Research

Exhibit 3: Refrigerant gas undergoes sequential decline



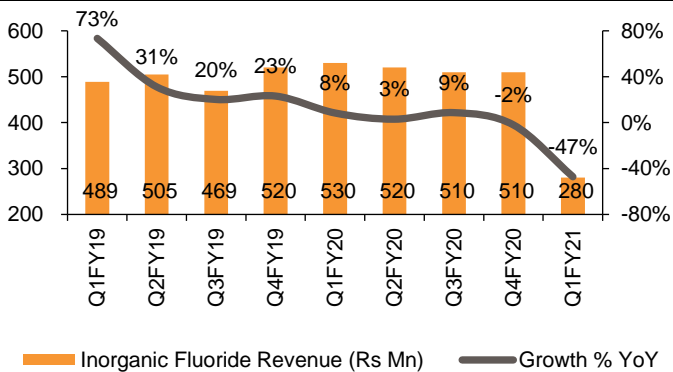
Source: Company, Emkay Research

Exhibit 4: Specialty Chemical delivers commendable growth in challenging environment



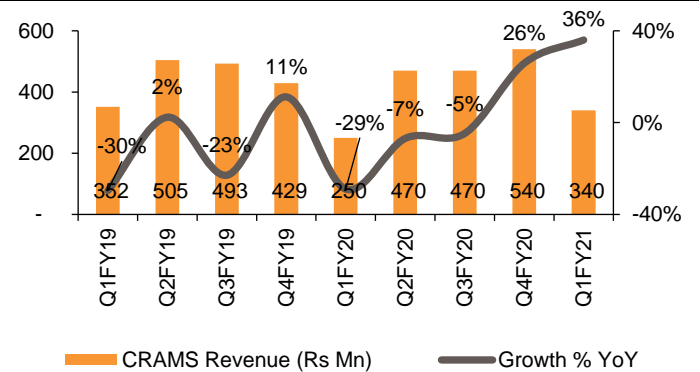
Source: Company, Emkay Research

Exhibit 5: Inorganic fluorides suffers from weak volume throughput and inventory optimization



Source: Company, Emkay Research

Exhibit 6: CRAMS business delivers high growth on low base



Source: Company, Emkay Research

Exhibit 7: Actual vs Estimates

(in Rs Mn)	Actual	Estimates		% Variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Sales	2149	2596	2290	-17.2	-6.1	Below our estimates on lower sales in R-gas and Inorganic fluoride
EBITDA	538	640	558	-15.9	-3.5	Below estimates on lower sales base
EBITDA margin %	25.0	24.7	24.4	40bps	70bps	In line with estimates
APAT	560	454	369	23.4	51.8	Above estimates due to interest income on income tax refund

Source: Company, Emkay Research

Exhibit 8: Quarterly Performance (Standalone)

Rs Mn	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	YoY (%)	QoQ (%)	
Revenue	2418	2639	2516	2650	2047	(15.3)	(22.7)	
CoGS	1149	1220	1071	1209	852	(25.9)	(29.5)	
Gross Profit	1269	1419	1445	1441	1196	(5.8)	(17.0)	
as % of sales	52.5	53.8	57.4	54.4	58.4			
SG&A expenses	661	743	793	769	675	2.0	(12.3)	
as % of sales	27.4	28.1	31.5	29.0	33.0			
EBITDA	607	676	652	672	521	(14.3)	(22.5)	
Depreciation	75	77	83	102	99	32.4	(3.7)	
EBIT	533	599	568	569	422	(20.8)	(25.9)	
Other Income	64	87	110	53	356	459.9	574.6	
Interest Expenses	4	3	4	5	2	(44.7)	(52.8)	
PBT	592	682	675	617	776	31.0	25.7	
Total Tax	198	218	222	-2069	260	31.6	(112.6)	
Reported PAT	395	464	453	2687	516	30.7	(80.8)	
Reported EPS	8.0	9.4	9.1	54.3	10.4	30.7	(80.8)	
Margins (%)							(bps)	(bps)
EBITDA	25.1	25.6	25.9	25.4	25.4	31	8	
EBIT	22.0	22.7	22.6	21.5	20.6	-143	-87	
EBT	24.5	25.9	26.8	23.3	37.9	1340	1460	
PAT	16.3	17.6	18.0	101.4	25.2	887	-7619	
Effective Tax Rate	33.4	32.0	32.9	-335.2	33.5	16	36877	

Segmental Financial Summary

Revenue - Segment wise	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	YoY (%)	QoQ (%)
Refrigerant	780	700	570	560	460	(41.0)	(17.9)
Specialty Chemical	860	940	970	1,040	970	12.8	(6.7)
Inorganic fluorides	530	520	510	510	280	(47.2)	(45.1)
CRAMS	250	470	470	540	340	36.0	(37.0)

Source: Company, Emkay Research

Exhibit 9: Quarterly performance (Consolidated)

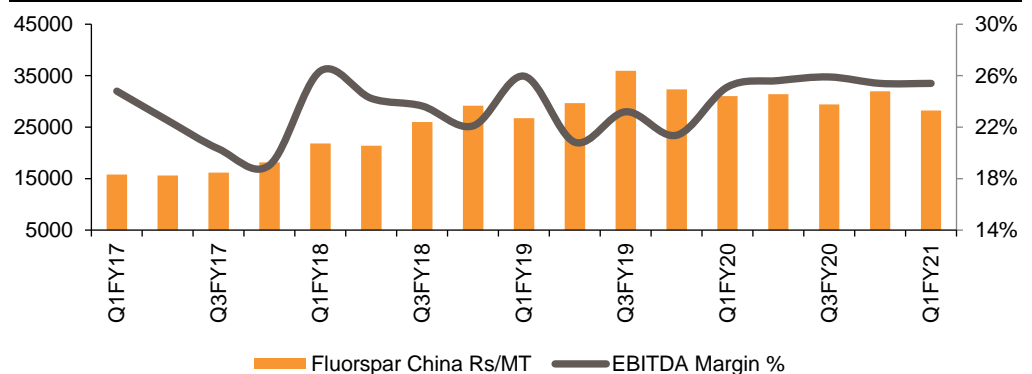
Rs Mn	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	YoY (%)	QoQ (%)	
Revenue	2516	2729	2605	2766	2149	(14.6)	(22.3)	
CoGS	1203	1267	1112	1257	910	(24.3)	(27.6)	
Gross Profit	1313	1463	1493	1509	1240	(5.6)	(17.8)	
as % of sales	52.2	53.6	57.3	54.5	57.7			
SG&A expenses	702	781	838	821	701	(0.1)	(14.6)	
as % of sales	27.9	28.6	32.2	29.7	32.6			
EBITDA	611	681	655	688	538	(11.9)	(21.7)	
Depreciation	82	85	92	111	107	30.2	(3.3)	
EBIT	529	596	563	577	431	(18.5)	(25.3)	
Other Income	68	92	116	57	362	429.0	536.2	
Interest Expenses	5	4	6	5	3	(36.0)	(33.6)	
PBT	592	684	673	629	790	33.4	25.6	
Total Tax	196	219	222	-2072	260	32.6	(112.5)	
Adjusted PAT	396	466	451	2701	530	33.7	(80.4)	
(Profit)/Loss from JV/Ass/MI	-35	-8	-3	-26	-31	NA	NA	
Reported PAT	431	473	454	2727	560	29.9	(79.5)	
Reported EPS	8.7	9.6	9.2	55.1	11.3	29.9	(79.5)	
Margins (%)							(bps)	(bps)
EBITDA	24.3	25.0	25.1	24.9	25.0	75	18	
EBIT	21.0	21.8	21.6	20.9	20.1	-96	-80	
EBT	23.5	25.1	25.8	22.7	36.7	1320	1400	
PAT	17.1	17.3	17.4	98.6	26.1	891	-7253	
Effective Tax Rate	33.1	32.0	32.9	-329.6	32.9	-19	NA	

Source: Company, Emkay Research

Performance of key segments

- Refrigerants:** Pandemic-induced sharp reduction in demand for automotive and white goods sectors persistently acted as headwinds for the R-gas performance, which declined 41% yoy/18% qoq to Rs460mn. Inventory optimization undertaken by players situated in export markets significantly impacted demand, whereas lockdowns and low manufacturing activity in the domestic market accentuated the negative performance. Both domestic and export markets remained under pressure and fell ~40% yoy each. We expect a revenue decline of 3.8% in FY21E and a growth of 10.4% in FY22E.
- Specialty Chemicals:** Defensive nature of this business enabled a moderate 13% yoy growth (down 6% qoq) at Rs970mn, which was mainly led by buoyant demand in pharma and agrochem intermediates. International markets registered 57% yoy growth (second highest in last 8 quarters), whereas the domestic market fell 15% yoy (fourth quarter of sequential decline). Management maintains its growth stance as earlier indicated. We expect 23%/16% revenue growth for FY21/22E.
- CRAMS:** The segment reported revenue growth of 36% yoy (down 16% qoq) at Rs340mn (100% exports). With the recently commissioned CGMP-3 plant, it expects CRAMS volumes to drive growth further. NFIL is confident that this segment would deliver decent growth from hereon, given its solid order book visibility and improved customer inquiry. We expect this segment to report 46%/23% revenue growth in FY21/22E.
- Inorganic Fluorides:** As a result of weak volume offtake from steel and glass industries and cessation of manufacturing activity due to sporadic lockdowns, this segment reported a 47% yoy decline. Similar to R-gas performance, this segment reported de-growth in both export and domestic market (31%/49% yoy) primarily due to weak economic activity. On the other hand, June'20 saw gradual revival of sub-optimal activity by OEM players, which is considered as a positive. We forecast revenue growth of 2%/15% in FY21/22E.

Exhibit 10: Fluorspar prices steady which aids in EBITDA stability



Source: Emkay Research, Company

Key conference call highlights

High Performance Product

- The new HPP-based intermediate and final product to be developed by NFIL is only made by one entity, the client itself. In case of the termination of contract, there are clauses in place for both the parties. Manufacturing for the seven-year contract will start by Q4FY22, and sales shall accrue from FY23. Some part of the new capacity can be shared among segments, while the rest is unique to HPP.

CRAMs

- NFIL will continue to make in-roads with larger pharma players in export markets going forward. The order cycle in this segment is a lot longer and any business is usually deferred into future. One molecule, as indicated earlier, has been commercialized by the customer. CRAMS manufacturing cycle remains longer, and most of the revenue impact has actually been shifted into the future, and not lost as is the case in Specialty Chemicals.
- Management maintains asset turnover guidance of 2.25-2.5x from this facility in the next 3-4 years.

Specialty Chemicals

- Revenue loss due to the lockdown was in the range Rs100-120mn. NFIL aims at expanding commercial capabilities and sees growing set of opportunities. Q1FY21 saw relatively more growth coming from Industrial (product driven) and Agrochemical (highly volatile, high volume, low margin) and relatively less from Pharmaceuticals (low volume, high margin). Management will tend to strike a balance in project end segments.

R-gas

- Management sees the impact to be visible in the near term since the volumes were lost in a generally high demand period but the same was impacted by the lockdown. Next quarter onward, the segment should see pre-Covid-19 level demand.
- R-Gas and Inorganic Fluorides businesses have only industrials exposure, except R22 which has some applications in pharma.

Inorganic Fluorides

- The business was impacted by stainless steel plant shutdowns and destocking in international markets. It has not yet recovered to pre-Covid-19 levels, as demand recovery is very slow. Large players in international markets should start restocking once demand comes back.

Capex and others

- On the capex front, there is no material change from earlier guidance. It may occur some capex in the Specialty chemical segment, depending on order visibility (FY21 possibly). Few debottlenecking projects will be undertaken in Surat and Dewas in FY21. The tax rate guidance remains similar to last year.
- Overall pricing across segments was not really driven by demand, rather in some cases the company was able to hike pricing where there was good activity.
- Larger market share gains would continue to be driven by three factors: a) whether NFIL can own/dominate the entire value chain, b) would avoid undertaking simple chemistries, which can be imitated by other players and c) NFIL can venture into other applications through existing chemistries.

Tax rate

- NFIL will continue to operate at earlier tax levels and take benefit from MAT credits.

Exhibit 11: Key assumptions (Standalone)

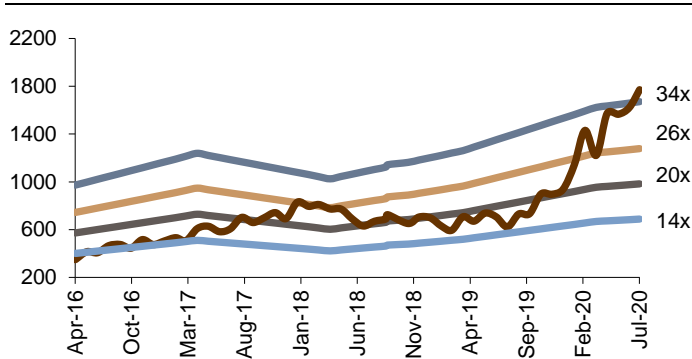
Parameters	FY19	FY20	FY21E	FY22E	FY23E
Segmental revenues					
Refrigerant	2,888	2,610	2,411	2,770	3,000
Specialty Chemicals	3,087	3,551	4,083	5,565	6,530
Inorganic fluorides	2,091	2,196	2,350	2,187	2,469
CRAMS	1,892	2,871	3,871	3,168	3,750
High Performance Products	-	-	-	-	4,143
EBITDA margins (%)	21.9%	24.8%	25.1%	25.9%	26.2%

Source: Company, Emkay Research

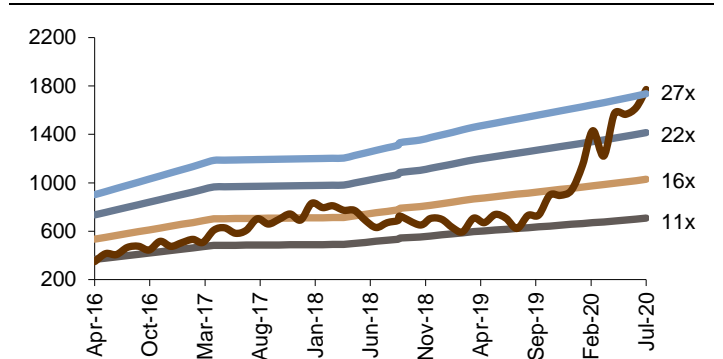
Exhibit 12: Revision in estimates

All fig in Rs mn (Ex Margin/EPS)	FY21E			FY22E			FY23E		
	Old	New	% Change	Old	New	% Change	Old	New	% Change
Revenues	12,210	11,710	-4.1	14,290	14,290	0.0	20,492	20,492	0.0
EBITDA	3,079	2,934	-4.7	3,699	3,698	0.0	5,364	5,364	0.0
EBITDA margins %	25.2	25.1	-16bps	25.9	25.9	0bps	26.2	26.2	0bps
Net profits	2,029	2,095	3.3	2,674	2,674	0.0	3,986	3,986	0.0
EPS (Rs)	41.0	42.4	3.3	54.0	54.0	0.0	80.6	80.6	0.0

Source: Company, Emkay Research

Exhibit 13: PE Band

Source: Company, Emkay Research

Exhibit 14: EV/EBITDA Band

Source: Company, Emkay Research

Exhibit 15: Peer comparison

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	TP (Rs)	PE			PB (x)			EV/EBITDA		
					FY20	FY21e	FY22e	FY20	FY21e	FY22e	FY20	FY21e	FY22e
Advanced Enzyme Tech	177	20	Buy	214	15.3	15.2	12.5	2.4	2.1	1.8	9.5	8.9	7.3
Apcotex Industries	123	6	Buy	120	38.5	31.4	19.7	2.5	2.4	2.3	20.1	16.1	11.6
BASF India	1319	57	Hold	1185	112.0	40.3	27.8	4.1	3.8	3.3	23.2	16.4	13.4
Camlin Fine Sciences	67	8	Buy	73	26.9	15.9	11.1	2.0	1.6	1.4	9.6	8.5	6.9
GHCL	143	14	Buy	170	3.4	5.5	3.5	0.6	0.6	0.5	3.2	3.5	2.5
Navin Fluorine	1742	88	Buy	1925	21.1	40.7	32.2	6.1	5.5	4.8	31.7	28.5	23.0
SRF	3935	226	Buy	4156	24.7	26.1	18.7	4.6	3.9	3.3	17.8	14.8	11.2
Tata Chemicals	312	80	Hold	302	1.1	11.5	8.9	0.6	0.6	0.6	6.9	7.3	6.1
Vinati Organics	981	101	Hold	1110	30.2	32.0	27.0	7.9	6.6	5.5	24.2	23.7	19.6

Source: Company, Emkay Research

Key Financials (Consolidated)**Income Statement**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	9,959	10,616	11,710	14,290	20,492
Expenditure	7,776	7,981	8,757	10,591	15,138
EBITDA	2,184	2,635	2,954	3,698	5,354
Depreciation	275	370	429	449	592
EBIT	1,908	2,265	2,525	3,250	4,762
Other Income	344	333	500	250	250
Interest expenses	8	20	20	45	40
PBT	2,244	2,578	3,005	3,455	4,972
Tax	770	(1,436)	970	871	1,096
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	(17)	(72)	(80)	(90)	(100)
Reported Net Income	1,491	4,086	2,115	2,674	3,976
Adjusted PAT	1,491	4,086	2,115	2,674	3,976

Balance Sheet

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Equity share capital	99	99	99	99	99
Reserves & surplus	10,626	14,023	15,574	17,704	21,146
Net worth	10,724	14,122	15,673	17,803	21,245
Minority Interest	0	0	0	0	0
Loan Funds	272	303	303	1,303	1,053
Net deferred tax liability	0	0	0	0	0
Total Liabilities	10,997	14,425	15,976	19,106	22,297
Net block	4,695	5,676	7,828	10,469	11,977
Investment	5,084	3,713	3,793	3,883	3,983
Current Assets	3,293	6,745	6,099	6,690	9,124
Cash & bank balance	370	2,838	2,251	2,308	2,840
Other Current Assets	0	0	0	0	0
Current liabilities & Provision	2,075	1,710	1,744	1,937	2,787
Net current assets	1,218	5,035	4,355	4,753	6,337
Misc. exp	0	0	0	0	0
Total Assets	10,997	14,425	15,976	19,106	22,297

Cash Flow

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
PBT (Ex-Other income) (NI+Dep)	1,900	2,245	2,505	3,205	4,722
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(339)	(1,350)	94	(341)	(1,052)
Operating Cashflow	1,228	3,034	2,618	2,781	3,525
Capital expenditure	(493)	(1,351)	(2,580)	(3,090)	(2,100)
Free Cash Flow	735	1,683	38	(309)	1,425
Investments	(226)	1,371	(80)	(90)	(100)
Other Investing Cash Flow	0	0	0	0	0
Investing Cashflow	(719)	20	(2,580)	(3,090)	(2,100)
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	(111)	30	0	1,000	(250)
Dividend paid (incl tax)	386	544	544	544	544
Other Financing Cash Flow	(899)	(1,130)	(1,168)	(178)	(1,438)
Financing Cashflow	(513)	(586)	(624)	366	(894)
Net chg in cash	(5)	2,467	(586)	57	531
Opening cash position	374	370	2,838	2,251	2,308
Closing cash position	370	2,837	2,251	2,308	2,840

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA Margin	21.9	24.8	25.2	25.9	26.1
EBIT Margin	19.2	21.3	21.6	22.7	23.2
Effective Tax Rate	34.3	(55.7)	32.3	25.2	22.0
Net Margin	14.8	37.8	17.4	18.1	18.9
ROCE	21.2	20.4	19.9	20.0	24.2
ROE	14.5	32.9	14.2	16.0	20.4
RoIC	36.3	33.8	28.4	28.5	33.5

Per Share Data (Rs)	FY19	FY20	FY21E	FY22E	FY23E
EPS	30.2	82.6	42.7	54.1	80.4
CEPS	35.7	90.1	51.4	63.1	92.3
BVPS	216.9	285.4	316.8	359.8	429.4
DPS	7.8	11.0	11.0	11.0	11.0

Valuations (x)	FY19	FY20	FY21E	FY22E	FY23E
PER	57.7	21.1	40.7	32.2	21.7
P/CEPS	48.8	19.3	33.9	27.6	18.9
P/BV	8.0	6.1	5.5	4.8	4.1
EV / Sales	8.6	7.9	7.2	6.0	4.1
EV / EBITDA	39.4	31.7	28.5	23.0	15.8
Dividend Yield (%)	0.4	0.6	0.6	0.6	0.6

Gearing Ratio (x)	FY19	FY20	FY21E	FY22E	FY23E
Net Debt/ Equity	0.0	(0.2)	(0.1)	(0.1)	(0.1)
Net Debt/EBIDTA	0.0	(1.0)	(0.7)	(0.3)	(0.3)
Working Cap Cycle (days)	31.1	75.6	65.6	62.5	62.3

Growth (%)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	9.1	6.6	10.3	22.0	43.4
EBITDA	1.6	20.7	12.1	25.2	44.8
EBIT	8.9	18.7	11.5	28.7	46.5
PAT	(17.1)	174.0	(48.2)	26.5	48.7

Quarterly (Rs mn)	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21
Revenue	2,516	2,729	2,605	2,766	2,149
EBITDA	611	681	655	688	538
EBITDA Margin (%)	24.3	25.0	25.1	24.9	25.0
PAT	431	473	454	2,727	560
EPS (Rs)	8.7	9.6	9.2	55.1	11.3

Source: Company, Emkay Research

Shareholding Pattern (%)	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20
Promoters	31.0	31.0	31.0	30.5	30.5
FIIIs	15.8	17.1	18.0	19.0	19.4
DIIs	18.5	17.9	17.4	18.6	18.9
Public and Others	34.7	34.0	33.6	31.9	31.2

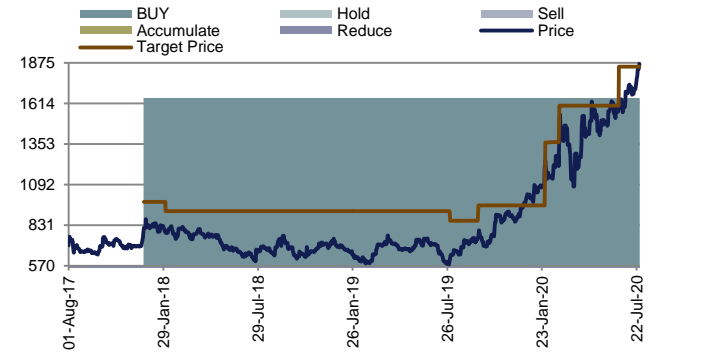
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
18-Jun-20	1,584	1,850	12m	Buy	Rohit Sinha
16-Apr-20	1,437	1,600	12m	Buy	Rohit Sinha
25-Feb-20	1,454	1,600	12m	Buy	Rohit Sinha
07-Feb-20	1,140	1,365	12m	Buy	Rohit Sinha
29-Jan-20	1,246	1,364	12m	Buy	Rohit Sinha
06-Jan-20	980	958	12m	Buy	Rohit Sinha
13-Dec-19	938	958	12m	Buy	Rohit Sinha
24-Oct-19	826	958	12m	Buy	Rohit Sinha
23-Sep-19	762	958	12m	Buy	Rohit Sinha
31-Jul-19	623	860	12m	Buy	Rohit Sinha
07-May-19	678	922	12m	Buy	Amar Mourya
02-Apr-19	751	922	12m	Buy	Amar Mourya
25-Jan-19	642	922	12m	Buy	Amar Mourya
01-Nov-18	639	922	12m	Buy	Amar Mourya
26-Jul-18	649	922	12m	Buy	Amar Mourya
09-Jul-18	647	922	12m	Buy	Amar Mourya
11-May-18	768	922	12m	Buy	Amar Mourya
02-Feb-18	783	922	12m	Buy	Amar Mourya
22-Dec-17	814	982	12m	Buy	Amar Mourya

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Speciality Chemicals



Analyst: Rohit Sinha

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Sector

Speciality Chemicals

Analyst bio

Rohit Sinha holds a CFA degree and comes with total four years of experience in the Specialty Chemicals sector. He currently covers nine stocks in the Specialty Chemicals space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Speciality Chemicals	0.18	0.17	-4%	-1	100.00
Advanced Enzyme Tech	0.00	0.01	NA	1	2.88
ApcoTex Industries	0.00	0.00	NA	0	1.88
BASF India	0.00	0.00	NA	0	2.15
Camlin Fine Sciences	0.00	0.01	NA	1	4.75
GHCL	0.00	0.01	NA	1	2.90
Navin Fluorine	0.00	0.04	NA	4	24.27
Orient Refractories	0.00	0.01	NA	1	3.57
SRF	0.18	0.08	-54%	-10	46.45
Tata Chemicals	0.00	0.01	NA	1	5.58
Vinati Organics	0.00	0.00	NA	0	1.88
Cash	0.00	0.01	NA	1	3.7

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

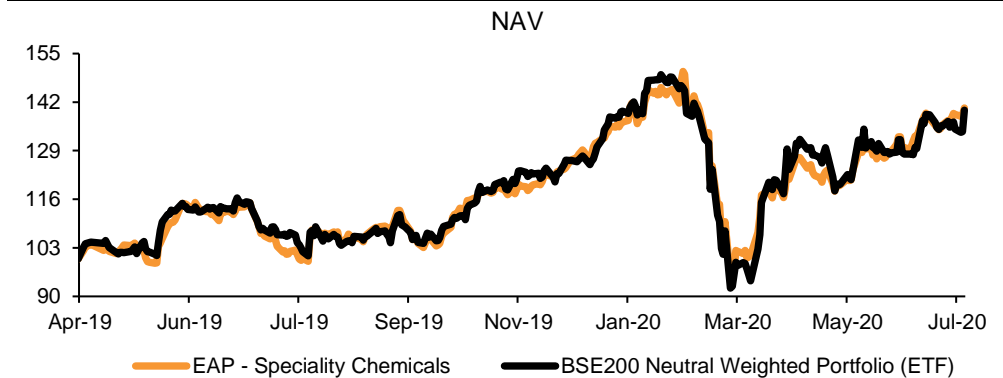
Sector portfolio NAV

	Base					Latest
	01-Apr-19	27-Oct-19	29-Jan-20	29-Apr-20	29-Jun-20	29-Jul-20
EAP - Speciality Chemicals	100.0	113.6	141.7	126.9	129.5	140.5
BSE200 Neutral Weighted Portfolio (ETF)	100.0	111.5	141.4	130.3	128.1	139.9

*Performance measurement base date 1st April 2019

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 31 Jul 2020 03:04:41 (SGT)

Dissemination Date: 31 Jul 2020 03:05:41 (SGT)

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