

LIMITED REVIEW REPORT

AUDITORS' REPORT TO THE BOARD OF DIRECTORS NAVIN FLUORINE INTERNATIONAL LIMITED

1. We have reviewed the accompanying statement of Unaudited Financial Results of NAVIN FLUORINE INTERNATIONAL LIMITED ("the Company") for the quarter and half year ended 30th September, 2011 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. The Company had provided for diminution of Rs 59.40 crores in the value of redeemable preference shares of the book value of Rs 60 crores in Mafatlal Industries Ltd (MIL) held as long term investment, projected for redemption from 1st April 2012, since MIL had a negative net worth. On the basis of audited accounts of MIL as at 30th June 2011 the Company's net worth is positive. MIL is in the process of tying up/earmarking funds for the proposed modernisation of the textile units/VRS schemes/working capital and the redemption schedule is dependent on this. The preference shares are also subordinated to the dues of the workers, statutory agencies and secured creditors. Accordingly at this stage, the company has retained the provision out of abundant precaution.
4. Based on our review, conducted as stated above and subject to para 3 supra, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

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5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117364W)



R. Salivati
Partner
(Membership No. 34004)

Mumbai, 19th October, 2011