

Dated: 26-April-2021

Notice for concerns on FKM raw materials supply, prices and COVID19

Dear Valued Customers:

During last months, the demand of FKM and PVDF has seen a sudden and significant surge. One of the main factors contributing to the high demand is EVs. VDF is common raw material going into production of FKM & PVDF. Global installed capacities of R142b (required in production of VDF) are unable to meet the market requirements, creating an acute shortage and sharp increase in the pricing. HFP, another monomer, is following the same curve. The suppliers of these raw materials are unwilling to commit long term supplies and price guarantee. As a result, the availability and price of these raw materials are changing on month-to-month basis.

The recent spike in COVID19 cases in India is putting our operational strength to test. If it continues, our productivity will suffer.

The overall supply situation of FKM will be under tremendous pressure in the coming months. The FKM prices will have to go through a necessary revision from 01-May-2021 to accommodate raw material cost increases. The FKM price may further increase in subsequent months to align with raw material cost push. FKM availability will remain tight.

Given the uncertainty regarding supply of critical raw materials and COVID19, which is beyond our control, GFL may get pushed to declare Force Majeure.

Our Sales Manager will contact you to discuss revised prices and supply situation.



Deepak Kapoor
Business Head - Europe

