

Date: 14th November, 2025

To,
National Stock Exchange of India Limited
("NSE"), The Listing Department
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra-Kurla
Complex Bandra (East), Mumbai - 400 051.
NSE Symbol: **STALLION**
ISIN: **INE0RYC01010**

To,
BSE Limited ("BSE"),
Corporate Relationship Department,
2nd Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai - 400 001.
BSE Scrip Code: **544342**
ISIN: **INE0RYC01010**

Sub: **Monitoring Agency Report for the quarter ended on 30th September, 2025**

Dear Sir/Madam,

Pursuant to Regulations 32(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Regulation 41(4) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended, please find enclosed Monitoring Agency Report issued by CARE Ratings Limited, Monitoring Agency, for the quarter ended on 30th September, 2025 with respect to the utilisation of proceeds of the Initial Public offer (IPO) of the company.

Yours Faithfully,

For Stallion India Fluorochemicals Limited
(Formerly known as Stallion India Fluorochemicals Private Limited)

Govind Rao
Company Secretary & Compliance Officer

Monitoring Agency Report



No. CARE/HO/GEN/2025-26/1199

The Board of Directors
Stallion India Flurochemicals Limited
2, A Wing, Knox Plaza, Off. Link Road,
Mindspace, Malad -(West), Mumbai – 400064

November 14, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2025 - in relation to the Initial Public offer (IPO) of Stallion India Flurochemicals Limited ("the Company")

We write in our capacity of Monitoring Agency for the IPO for the amount aggregating to Rs. 160.73 crore of the Company and refer to our duties cast under 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated September 09, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Ashish A Kambli".

Ashish A Kambli

Associate Director

ashish.k@careedge.in

Report of the Monitoring Agency

Name of the issuer: Stallion India Fluorochemicals Limited

For quarter ended: September 30, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) **Deviation from the objects:** Yes

Description of deviations

1. In Q2FY26 Stallion India Fluorochemicals Limited has made excess utilization of Rs.3.99 crore towards Issue expenses. Issues expenses specified in prospectus were Rs.11.99 crore, however actual spending stood at Rs.15.98 crore as on September 30, 2025 resulting in material deviation.
2. The details submitted in the management and Chartered Accountant certificate incorrectly captures issue expense under working capital. Furthermore, the unutilized proceeds also include the funds apart from IPO proceeds and hence reflects higher amount in unutilized proceeds. Both of this reflects discrepancy in the data submission by the company. Refer to the detailed comments as mentioned below Table 4 (ii) and Table 4 (iii).

(b) **Range of Deviation:** 25-50%

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: 

Name and designation of the Authorized Signatory: Ashish A Kambli

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Stallion India Fluorochemicals Limited
Name of the promoter : Shazad Sheriar Rustomji
Industry/sector to which it belongs : Refrigerant and Industrial Gases

2) Issue Details

Issue Period : July 01,2025 to September 30,2025
Type of issue (public/rights) : Public
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in Rs. crore) : Rs. 160.73

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments of the Board of Directors | Monitoring agency's comments on the board comments |
|--|-------|--|---|--|---|
| Whether all utilization is as per the disclosures in the Offer Document? | No | Management Certificate, CA certificate*, bank statements and Prospectus | <ul style="list-style-type: none"> In Q2FY26 company has made excess utilization of Rs.3.99 crore towards Issue expenses. Issues expenses specified in prospectus were Rs.11.99 crore, however actual spending stood at Rs.15.98 crore as on September 30, 2025 resulting in material deviations from expenditures disclosed in the Offer Document. The other utilization during the quarter is in line with prospectus. The details submitted in the management and Chartered Accountant certificate incorrectly captures issue expense under working capital. Furthermore, the unutilized proceeds also include the funds apart from IPO proceeds and hence reflects higher amount in unutilized proceeds. Both of this reflects discrepancy in the data submission by the company. Refer to the detailed comments as | Rs.3.99 Crores excess expenses on account of 180 times oversubscription were not debited to any IPO head and has not resulted in any reduction in capex or WC. Company has 10.94 crores surplus funds in current account which has been used and MA does not show or report that | MA's responsibility is only monitors the utilization of funds raised through IPO. Any other business funds cannot be considered by MA for monitoring purpose. Hence, the surplus funds in current account cannot be considered. |

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments of the Board of Directors | Monitoring agency's comments on the board comments |
|---|-------|--|--|---|---|
| | | | mentioned below Table 4 (ii) and Table 4 (iii). <ul style="list-style-type: none"> Monitoring Agency has observed that the utilization of proceeds was routed through multiple current accounts which has numerous other transactions resulting in comingling of funds. | | |
| Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document? | No | Management Certificate, CA certificate* and Prospectus | Shareholder approval not available for the following deviations: <ul style="list-style-type: none"> As per Prospectus, the funds allocated for issue expenses were Rs.11.99 crore while the utilization towards issue expenses is Rs.15.98 crore resulting in excess utilization Rs.3.99 crore. As per Prospectus, the funds allocated for working capital purpose were Rs.95 crore. However, SFIL made total utilization of Rs.98.71 crore till Q1FY26 (till Q4FY25: Rs.94.14 crore; Q1FY26: Rs.4.57 crore) which led to excess utilization of Rs. 3.71 crore. | Rs.3.99 Crores excess expenses on account of 180 times oversubscription were not debited to any IPO head and has not resulted in any reduction in capex or WC. Company has 10.94 crores surplus funds in current account which has been used and MA does not show or report that | MAs responsibility only monitors the utilization of funds raised through IPO. Any other business funds cannot be considered by MA for monitoring purpose. Hence, the surplus funds in current account cannot be considered. |
| Whether the means of finance for the disclosed objects of the issue have changed? | Yes | Management Certificate, CA certificate* and Prospectus | The total excess utilization in certain objects is Rs.7.70 crore. The said excess utilization will lead to deficit in available IPO proceeds for other specified objects. | The report is incorrect as Firm has Rs.10.94 crores surplus in current account which MA is not considering in this report. Also GCP which was shown transferred to WC last quarter is again being reported as deviation inspite of surplus funds available and no impact to any allocation on capex or WC | The surplus funds cannot be considered for monitoring purpose and the company has already utilized the funds from IPO proceeds towards working capital purpose and IPO expenses which is higher than what is mentioned in the prospectus. Hence, the reporting of MA is correct and is in line with the guidelines for monitoring the issue proceeds. |
| Is there any major deviation observed over the earlier monitoring agency reports? | Yes | Previous Monitoring Agency Report | The report issued in Q1FY26 was with deviation. | | |

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments of the Board of Directors | Monitoring agency's comments on the board comments |
|--|-------|--|--|--|--|
| Whether all Government/statutory approvals related to the object(s) have been obtained? | Yes | Management Certificate and CA certificate* | Monitoring agency has primarily relied on CA certificate and Management Certificate | MA has checked each bank entry highlighted and shown and each invoice | |
| Whether all arrangements pertaining to technical assistance/collaboration are in operation? | Yes | Management Certificate and CA certificate* | Monitoring agency has primarily relied on CA certificate and Management Certificate | MA has checked each bank entry highlighted and shown and each invoice | |
| Are there any favorable/unfavorable events affecting the viability of these object(s)? | Yes | Management Certificate and CA certificate* | As stated above SFIL has made excess utilization of IPO proceeds for certain objects as detailed in progress in the object table to the extent of Rs. 7.70 crore. The said excess utilization may impact the viability of the objects. | There is no excess utilisation and no deviation of funds from capex to working capital. MA chooses to Ignore Rs.10.94 crores (surplus over and above the Rs.30.81 crore it shows unutilised) and is reporting as a deviation. Management have clearly shown them that the excess Cost of Rs.3.99 crore has been paid out from the Surplus funds of 10.94 crores in the current account and does not impact the funds for capex or WC. Also the 3.4 crores of GCP had been transferred last quarter to WC once already. Hence GCP is fully utilised and WC has surplus funds of 3.4 Crores available for use. This again and again is shown as a deviation inspite of surplus 10.94 crores in current account. Management clearly states that no capex or WC allocations are affected or used in this and MA chooses to not report excess funds in company current account which have clearly been shown to them. | Refer to the comments given above. |
| Is there any other relevant information that may materially affect the decision making of the investors? | No | - | - | | |

* Verified from Chartered Accountant certificate from Mittal & Associates dated October 13, 2025 received via email dated November 13, 2025.

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Original cost (as per the Offer Document) in Rs. Crore | Revised Cost in Rs. Crore | Comments of the Monitoring Agency | Comments of the Board of Directors | | | Monitoring agency's comments on the board comments |
|--------------|---|--|--|---------------------------|---|--|--|---|---|
| | | | | | | Reason for cost revision | Proposed financing option | Particulars of - firm arrangements made | |
| 1 | Working capital requirements | Management Certificate, CA and Prospectus | 95.00 | Not applicable | As per Prospectus, the funds allocated for working capital purpose was Rs.95 crore. However, SFIL made total utilization of Rs.98.71 crore till Q1FY26 (Q4FY25: Rs.94.14 crore; Q1FY26: Rs.4.57 crore) which led to excess utilization of Rs. 3.71 crore. Further in Q2FY26 it has excess utilization of Rs.3.99 crore towards Issue expenses. The total excess utilization in certain objects is Rs.7.70 crore. The said excess utilization could lead to deficit in available IPO proceeds for other specified objects. | There was no cost revision. MA was clearly explained that Merchant Banker had issued it directly from escrow account instead of current account and this has not been debited as part of IPO proceed | This has been paid by Company from own funds which are far in surplus in the bank accounts. It was explained to MA, however MA chose to take it as a deviation only because it was paid from escrow account. Ignoring the fact that surplus amount is there in current account where it should have been debited | Firm already has far surplus in current account where this should have been debited however MA choses to ignore the surplus funds and report it as a deviation which it is not. Firm has not debited this amount from IPO proceeds and has shown it from its own account from the current account surplus | The surplus funds cannot be considered for monitoring purpose and the company has already utilized the funds from IPO proceeds towards working capital purpose and IPO expenses which is higher than what is mentioned in the prospectus. Hence, the reporting of MA is correct and is in line with the guidelines for monitoring the issue proceeds. |
| 2 | Funding capital expenditure requirements for Semi-conductor & Specialty Gas debulking & blending facility ("Khalapur, Maharashtra") | Management Certificate, CA and Prospectus | 29.16 | Not applicable | | | | | |
| 3 | Funding capital expenditure requirements for Refrigerant debulking & blending facility ("Mambattu, Andhra Pradesh") | Management Certificate, CA and Prospectus | 21.17 | Not applicable | | | | | |
| 4 | General Corporate Purpose | Management Certificate, CA and Prospectus | 3.41 | Not applicable | | | | | |
| 5 | Share issue expensed | Management Certificate, CA and Prospectus | 11.98 | Not applicable | | | | | |
| Total | | | 160.73 | | | | | | |

* Verified from Chartered Accountant certificate from Mittal & Associates dated October 13, 2025 received via email dated November 13, 2025

(ii) Progress in the objects –

| Sr · No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the Offer Document in Rs. Crore | Amount utilised in Rs. Crore | | | Total unutilised amount in Rs. Crore | Comments of the Monitoring Agency | Comments of the Board of Directors | | Monitoring agency's comments on the board comments |
|---------------|---|--|---|---|---------------------------------|--|--------------------------------------|--|---|---------------------------|--|
| | | | | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore | | | Reasons for idle funds | Proposed course of action | |
| 1 | Working capital requirements | Management Certificate, CA certificate* and bank statements | 95.00 | 98.71 | 0 | 98.71 | (3.71) | There is nil utilization during the quarter. Management and CA certificate has incorrectly classified the issue expenses in working capital purpose. | Firm shows this as debited to firms funds and MA chooses to show this as debited to IPO funds as it was issued from escrow account instead of the current account | - | |
| 2 | Funding capital expenditure requirements for Semi-conductor & Specialty Gas debulking & blending facility ("Khalapur, Maharashtra") | Management Certificate, CA certificate*, Prospectus and bank statements | 29.16 | 4.86 | 4.95 | 9.81 | 19.35 | The transactions were routed through multiple current accounts which has numerous other transactions resulting in comingling of funds. Utilisation funds were in line with the object, for which Monitoring Agency has relied on CA certificate, management certificate and other submission including invoices and Purchase orders. | Every single invoices were provided and all bank statements with payments highlighted were provided and checked and verified by MA. | - | |
| 3 | Funding capital expenditure requirements for Refrigerant debulking & blending facility | Management Certificate, CA certificate*, Prospectus and bank statements | 21.18 | 0.96 | 1.04 | 1.99 | 19.18 | The transactions were routed through multiple current accounts which has numerous other transactions resulting in comingling of funds. Utilisation funds were in line with the object, for which Monitoring Agency has relied on CA certificate, management certificate and other submission | Every single invoices were provided and all bank statements with payments highlighted were provided and checked by MA | - | |

| Sr · No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the Offer Document in Rs. Crore | Amount utilised in Rs. Crore | | | Total unutilised amount in Rs. Crore | Comments of the Monitoring Agency | Comments of the Board of Directors | | Monitoring agency's comments on the board comments |
|---------------|------------------------------|--|---|---|---------------------------------|--|--------------------------------------|---|---|--|--|
| | | | | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore | | | Reasons for idle funds | Proposed course of action | |
| | ("Mambattu, Andhra Pradesh") | | | | | | | including invoices and Purchase orders. | | | |
| 4 | General Corporate Purpose | Management Certificate, CA certificate*, Prospectus and bank statements | 3.41 | 3.41 | 0.00 | 3.41 | - | Utilization is completed under this object. | - | - | - |
| 5 | Share issue expenses | Management Certificate, CA certificate*, Prospectus and bank statements | 11.99 | 11.99 | 3.99 | 15.98 | (3.99) | In Q2FY26 company incurred additional issue expense of Rs. 3.99 crore directly from escrow account leading to excess utilization of Rs. 3.99 crore towards issue expenses which is in contrary to the prospectus. | This has been paid by Company from own funds which are far in surplus in the bank accounts. It was explained to MA, however MA chose to take it as a deviation only because it was paid from escrow account. Ignoring the fact that surplus amount is there in current account where it should have been debited. Firm already has far surplus in current account of Rs.41.76 crores and MA is only choosing to show Rs.30.81 Crores in its report. MA choses to ignore the surplus funds and report it as a deviation which it is not. | The surplus funds cannot be considered for monitoring purpose, and the company has already utilized the funds from IPO proceeds towards working capital purpose and IPO expenses which is higher than what is mentioned in the prospectus. Hence, the reporting of MA is correct and is in line with the guidelines for monitoring the issue proceeds. | |
| Total | | | 160.73 | 119.93 | 9.98 | 129.92 | 30.81 | | Total amount in bank is Rs.41.76 crore | | |

* Verified from Chartered Accountant certificate from Mittal & Associates dated October 13, 2025 received via email dated November 13, 2025

(iii) Deployment of unutilized proceeds:

| Sr. No. | Type of instrument and name of the entity invested in | Amount invested | Maturity date | Earning | Return on Investment (%) | Market Value as at the end of quarter |
|---------|---|-----------------|-------------------|---------|--------------------------|---------------------------------------|
| 1 | ICICI Bank FD (9927) | 0.10 | March 06,2026 | - | 6.70 | 0.10 |
| 2 | ICICI Bank FD (4943) | 0.01 | July 30,2026 | - | 6.70 | 0.01 |
| 3 | ICICI Bank FD (5492) | 13.46 | December 27,2025 | - | 6.70 | 13.46 |
| 4 | ICICI Bank FD (9876) | 0.11 | February 25,2026 | - | 6.70 | 0.11 |
| 5 | ICICI Bank FD (9944) | 0.11 | March 12,2026 | - | 6.70 | 0.11 |
| 6 | ICICI Bank FD (9941) | 0.11 | March 11,2026 | - | 6.70 | 0.11 |
| 7 | ICICI Bank FD (0152) | 0.10 | May 06,2025 | - | 6.70 | 0.10 |
| 8 | ICICI Bank FD (0548) | 15.00 | September 18,2026 | - | 6.70 | 15.00 |
| 9 | Axis Escrow account (Account Number:924020054061481) | 0.35 | - | - | - | 0.35 |
| 10 | ICIC Bank Current account (Account No: 122105000384) | 1.46\$ | - | - | - | 1.46 |
| | Total | 30.81\$ | - | - | - | 30.81 |

- Verified from Fixed deposit receipt and closing balance as per bank statement of Escrow account and current accounts

\$ The funds in current account are derived as a balancing figure when compared to unutilized proceeds. The company has utilized the proceeds though current account which has numerous other debits and credits resulting in comingling of funds. The balance of the current account (122105000384) is Rs. 8.41 crore as against estimated balance of Rs.1.46 crore. Monitoring Agency notes that un-utilized balance as per management certificate and CA certificate is incorrect and includes other balances which are not pertaining to IPO proceeds.

(iv) Delay in implementation of the object(s)

| Objects | Completion Date | | Delay (no. of days/ months) | Comments of the Board of Directors | |
|---|---------------------------|---------------|-----------------------------|------------------------------------|---------------------------|
| | As per the offer document | Actual | | Reason of delay | Proposed course of action |
| Working capital requirements | March 31,2026 | June 30,2025 | No delays | No comments received | No comments received |
| Funding capital expenditure requirements for Semi-conductor & Specialty Gas debulking & blending facility ("Khalapur, Maharashtra") | October 30,2025 | Ongoing | No delays | No comments received | No comments received |
| Funding capital expenditure requirements for Refrigerant debulking & blending facility ("Mambattu, Andhra Pradesh") | October 30,2025 | Ongoing | No delays | No comments received | No comments received |
| General Corporate Purpose | March 31,2026 | June 30,2025 | No delays | No comments received | No comments received |
| Share issue expenses | March 31,2025 | March 31,2025 | No delays | No comments received | No comments received |

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Nil utilization of IPO proceeds for GCP during July 01,2025 to September 30,2025

| Sr. No | Item Head^ | Amount in Rs. Crore | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of Monitoring Agency | Comments of the Board of Directors |
|--------|------------|---------------------|--|-------------------------------|------------------------------------|
| | | | | | |

[^] Section from the offer document related to GCP: "We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, aggregating to Rs 340.88 Lakhs, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations, including but not restricted towards strategic initiatives, improvement in supply chain, branding, marketing, rental and administrative expenses, meeting exigencies, and expenses incurred in the ordinary course of business. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of our Company, from time to time."

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.