

Date: 17th May, 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.

To,
BSE Limited ("BSE"),
Corporate Relationship Department,
2nd Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

NSE Symbol: **STALLION**
ISIN: **INE0RYC01010**

BSE Scrip Code: **544342**
ISIN: **INE0RYC01010**

Sub: Monitoring Agency Report for the quarter ended on 31st March 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 31st March 2025 with respect to the utilisation of proceeds of the Initial Public offer (IPO) of the company.

The Monitoring Agency Report is also available in the website of the Company at www.stallionfluorochemicals.com.

Yours Faithfully,
For Stallion India Fluorochemicals Limited

Govind Rao
Company Secretary & Compliance Officer



Monitoring Agency Report



CARE/HO/GEN/2025-26/1055

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

May 15, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended March 31, 2025- in relation to the Initial Public Offer of Stallion India Flurochemicals Limited ("the Company")

We write in our capacity of Monitoring Agency for the preferential issue for the amount aggregating to Rs.160.72 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 March 31, 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 Flurochemicals Limited

For quarter ended: March 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: No

(b) Range of Deviation: Not applicable

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

2) Issue Details

Issue Period : January 01,2025 to March 31,2025
 Type of issue (public/rights) : Public
 Type of specified securities : Equity shares
 IPO Grading, if any : Not applicable
 Issue size (in ` crore) : Rs. 160.72 crore

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
Whether all utilization is as per the disclosures in the Offer Document?	Yes	CA certificate and Prospectus	<p>The utilization of the proceeds are in line with the objects as per offer document, however, the transactions are routed through multiple current accounts which has numerous other transactions resulting in comingling of funds. Hence transactions w.r.t. issue expense could not be completely traced. Furthermore, company has provided partial invoices pertaining to issue expenses to the Monitoring agency (MA) and hence, MA has relied on CA certificate for utilization of proceeds for issue expense.</p> <p>Further, part of the unutilized proceeds parked in current accounts in place of the Monitoring Agency Account.</p>	-



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
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	-	-	-
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA certificate and Prospectus	-	-
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	-	First MA report	-
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	CA certificate and Management Certificate	-	-
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	Management Certificate and CA certificate	-	-
Are there any favourable/unfavourable events affecting the viability of these object(s)?	Not applicable	Not applicable	No such events observed during the quarter.	-
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Not applicable	<ul style="list-style-type: none"> • Company has not provided certain requisite documents like invoices of issue expense and bank statements to trace the issue expenses. • Share price volatility: The share price declined by 57% since the issue announcement and around 57% from its peak. The current price of Rs.72.50 as on May 14, 2025 which is lower than issue price of Rs.90. • Change in Management: The Chief Financial Officer (CFO) resigned in March 2025 and hence, company has 	<p>Management has no control on share prices, and it is market driven.</p> <p>As compliances are more stringent, a more experienced CS was appointed. CFO had to</p>



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
			appointed the Ex-Director of the company as the CFO w.e.f. April 08, 2025. There has also been a change in Company Secretary /Compliance Officer w.e.f. April 29, 2025. Further, the Internal Auditor has also changed w.e.f. April 08, 2025.	leave due to personal reasons and new CFO was appointed

-Verified from Chartered Accountant certificate from Mittal & Associates dated May 13,2025; Management Certificate; Prospectus

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raise
- 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:

- 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		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Working capital requirements	Prospectus and CA certificate	95.00	-	-	-	-	-
2	Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility ("Khalapur, Maharashtra")	Prospectus and CA certificate	29.15	-	-	-	-	-
3	Funding capital expenditure requirements for our Refrigerant debulking & blending facility ("Mambattu, Andhra Pradesh")	Prospectus and CA certificate	21.17	-	-	-	-	-



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		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
4	General Corporate Purpose	Prospectus and CA certificate	3.40	-	-	-	-	-
5	Share issue expensed	Prospectus and CA certificate	11.98					
Total			160.72					

-Verified from Chartered Accountant certificate from Mittal & Associates dated May 13,2025 and extracts of Prospectus

(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	
				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 requirements capital	CA certificate and bank statements of the OD account	95.00	-	94.14	94.14	0.86	Of the total amount of Rs. 94.14 crore used for working capital, Rs.60 crore was transferred to ICICI Bank overdraft account (122151000002), Rs.11.31 crore transferred to Central Bank of India overdraft account (1053161639) and the balance amount of Rs.22.83 crore utilized for payment to creditors for which bank entries could be traced and supporting invoices were checked on sample basis.	-	-



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	
				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
2	Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility ("Khalapur, Maharashtra")	CA certificate and, bank statements	29.15	-	0.64	0.64	28.51	The company has utilised funds towards purchase of plant & machinery and for undertaking civil work.	-	-
3	Funding capital expenditure requirements for our Refrigerant debulking & blending facility ("Mambattu, Andhra Pradesh")	CA certificate	21.17	-	-	-	21.17	-	-	-
4	General Corporate Purpose	CA certificate	3.40	-	-	-	3.40	-	-	-
5	Share issue expenses	CA certificate and , bank statements	11.98	-	11.98	11.98	-	Of the total issue expense of Rs.11.98 crore, bank transactions of Rs.4.75 crore could not be traced. Also, for Rs.8.64 crore, supporting invoices were not provided.	-	-
Total			160.72	-	106.76	106.76	53.96			

-Verified from Chartered Accountant certificate from Mittal & Associates dated May 13,2025; Bank Statements; Overdraft Accounts

(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.	Fixed Deposit held with ICICI Bank	14.23	May 02,2025	-	6.70% p.a.	14.23
2.	Closing balance in escrow account held with Axis Bank (924020054061481)	32.57	-			32.57
3.	Closing balance in current accounts held with ICICI Bank (Account Number 122105000039)	0.26	-			0.26
4.	Closing balance in current accounts held with ICICI Bank (Account Number 122105000084)	6.90				6.90
	Total	53.96				

-Verified with the help of bank statements/FD receipt and CA Certificate dated May 13, 2025

(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	Ongoing		-	-
Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility ("Khalapur, Maharashtra")	October 30, 2025	Ongoing		-	-
Funding capital expenditure requirements for our Refrigerant debulking & blending facility ("Mambattu, Andhra Pradesh")	October 30, 2025	Ongoing		-	-
General Corporate Purpose	March 31, 2026	Ongoing		-	-
Share issue expensed	-	March 31, 2025		-	-



5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Nil utilization during the quarter.

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
	Total				

^ Section from the offer document related to GCP: "The company 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 auditors (or from peer reviewed CA firms) 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 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.