




(Scan this QR code to view the RHP)

Red Herring Prospectus
Dated: January 11, 2025
(The Red Herring Prospectus will be updated upon filing with the RoC)
Please Read Section 32 of Companies Act, 2013
100% Book Built Offer



STALLION INDIA FLUORO CHEMICALS LIMITED
CORPORATE IDENTITY NUMBER: U51410MH2002PLC137076

REGISTERED & CORPORATE OFFICE		CONTACT PERSON		TELEPHONE AND EMAIL	WEBSITE
2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - (West), Mumbai - 400064		Sarita Khamwani Company Secretary and Compliance Officer		Email: compliance@stallion.in Tel. No.: 022-43510000	www.stallionfluorochemicals.com
OUR PROMOTER: SHAZAD SHERIAR RUSTOMJI, MANIHA SHAZAD RUSTOMJI & ROHAN SHAZAD RUSTOMJI					
DETAILS OF THE OFFER TO PUBLIC					
TYPE	FRESH ISSUE	OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION	
Fresh Issue & Offer for Sale	1,78,58,740 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	43,02,656 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	₹ [●] lakhs	The Offer is made pursuant to the Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). For details, see "Offer Structure" on page 327.	
DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE					
NAME OF THE SELLING SHAREHOLDER	TYPE	NO OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS*		
Shazad Sheriar Rustomji	Promoter	43,02,656 Equity Shares	6.79		
*As certified by Mittal & Associates, Chartered Accountant vide certificate dated December 07, 2024					
RISKS IN RELATION TO THE FIRST ISSUE					
This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price (determined by our Company and Promoter Selling Shareholder in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page 108, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing					
GENERAL RISK					
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this DRHP. Specific attention of the investors is invited to "Risk Factors" on page 28.					
COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this DRHP contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this DRHP is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this DRHP as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder accepts responsibility for, and confirms, that the statements specifically made or confirmed by such Promoter Selling Shareholder in this DRHP, to the extent that the statements and information specifically pertain to such Promoter Selling Shareholder and the Equity Shares offered by such Promoter Selling Shareholder under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect					
LISTING					
The Equity Shares, once offered through the RHP are proposed to be listed on the Stock Exchanges being BSE Limited and National Stock Exchange of India Limited. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited.					
BOOK RUNNING LEAD MANAGER					
Name and Logo of the Book Running Lead Manager		Contact Person		Email and Telephone	
 Sarathi Capital Advisors Private Limited		Mr. Pankaj Chaurasia		Email Id: compliance@sarthiwm.in Tel No.: +91 22 2652 8671 / 72	
REGISTRAR TO THE OFFER					
Name and Logo of the Registrar		Contact Person		Email and Telephone	
 Bigshare Services Private Limited		Mr. Jibu John		Email: ipo@bigshareonline.com Tel No.: +91 22 62638200	
BID/ISSUE PERIOD					
ANCHOR PORTION OFFER OPENS/CLOSES ON*			Wednesday, January 15, 2025		
BID/OFFER OPENS ON			Thursday, January 16, 2025		
BID/OFFER CLOSES ON**			Monday, January 20, 2025 [^]		

*Our Company may in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

**Our Company may in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

[^]UPI mandate end time and date shall be 5:00 pm on the Bid/ Offer Closing Date.

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STALLION INDIA FLUORO CHEMICALS LIMITED

Our Company was incorporated as Stallion India Fluorochemicals Private Limited, a private limited company, at Mumbai under the Companies Act, 1956 on September 05, 2002, and was granted the certificate of incorporation by the RoC. Subsequently, the name of the Company was changed to Stallion India Fluorochemicals Limited pursuant to a special resolution passed by the shareholders of the Company on August 07, 2023, and a fresh certificate of incorporation dated October 05, 2023 was issued by the RoC consequent upon change of name upon conversion into a public limited company under the Companies Act, 2013. For further information, please refer chapter "Our History and Certain Other Corporate Matters" on page 179 of this Red Herring Prospectus.

Registered and Corporate Office: 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - (West), Mumbai - 400064; **Tel. No.:** 022-43510000;
E-mail: compliance@stallion.in; **Website:** www.stallionfluorochemicals.com; **Contact Person:** Sarita Khamwani, Company Secretary and Compliance Officer
Corporate Identity Number: U51410MH2002PLC137076

THE PROMOTER OF OUR COMPANY IS SHAZAD SHERIAR RUSTOMJI, MANIHA SHAZAD RUSTOMJI & ROHAN SHAZAD RUSTOMJI

INITIAL PUBLIC OFFERING OF UP TO 2,21,61,396 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] LAKHS (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO 1,78,58,740 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 43,02,656 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS BY MR. SHAZAD SHERIAR RUSTOMJI, (THE "PROMOTER SELLING SHAREHOLDER") (THE "OFFER FOR SALE"). THE OFFER WOULD CONSTITUTE 27.94 % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD, AN ENGLISH NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ALL EDITIONS OF BUSINESS STANDARD, A HINDI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AND MAHARASHTRA EDITION OF NAVSHAKTI, A MARATHI NEWSPAPER WITH WIDE CIRCULATION (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS")

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the promoter Selling Shareholder may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable.

This is an Offer in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs and such portion, the "QIB Portion"), provided that our Company and the Promoter Selling Shareholder, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders of which one-third portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 2 lakhs and up to ₹ 10 lakhs and two-third portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 10 lakhs, provided that unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders in accordance with the SEBI ICDR Regulations and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price all potential Bidders (except Anchor Investors) are mandatorily required to utilize the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA Process. For further details, see "Offer Procedure" on page 331.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Floor Price, the Offer Price or the Price Band (determined by our Company and the Promoter Selling Shareholder in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page 108), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 28.

OUR COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder accepts responsibility for, and confirms, that the statements made or confirmed by it in this Red Herring Prospectus to the extent that the statements and information specifically pertain to it and the Equity Shares offered by it under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statements, including, inter alia, any of the statements made by or relating to our Company.

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated July 05, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 367.

BOOK RUNNING LEAD MANAGER TO THE OFFER

REGISTRAR TO THE OFFER



Sarthi Capital Advisors Private Limited
 CIN: U65190DL2012PTC238100
 401, 4thFloor, Manek Plaza, 167, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai - 400 098
Tel No.: +91 22 2652 8671/ 72
Email Id: compliance@sarthiwm.in
Website: www.sarthi.in
Contact Person: Mr. Pankaj Chaurasia
SEBI Registration No.: INM000012011



Bigshare Services Private Limited
 CIN: U99999MH1994PTC076534
 Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093
Tel. No.: +91 22 6263 8200; **Email:** ipo@bigshareonline.com
Investor Grievance E-Mail: investor@bigshareonline.com
Contact Person: Mr. Jibu John
SEBI Registration No.: INR000001385
Website: www.bigshareonline.com

ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	Wednesday, January 15, 2025*
BID/OFFER OPENS ON	Thursday, January 16, 2025*
BID/OFFER CLOSES ON**	Monday, January 20, 2025^

*Our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

**Our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

^UPI mandate end time and date shall be 5:00 pm on the Bid/ Offer Closing Date.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Statements”, “Basis for Offer Price”, “History and Certain Corporate Matters”, “Financial Indebtedness”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of Articles of Association” on pages 118,170,115,205, 108, 179, 263, 311, 298, and 354 respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
Our Company / the Company/the Issuer/SIFL	Stallion India Fluorochemicals Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - West, Mumbai-400064, Maharashtra, India.
we/ us /our/ Group	Unless the context otherwise indicates or implies, refers to our Company.

Company and Promoter Selling Shareholder related terms

Term	Description
Articles or Articles of Association or AoA	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “Our Management” on page 183
Auditors / Statutory Auditors	The current statutory auditor of our Company, being Mittal & Associates, Chartered Accountants
Board / Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Chairman and Managing Director	The Chairman and Managing Director of our company, being Shazad Sheriar Rustomji as disclosed in “Our Management” on page 183
Chief Financial Officer	The Chief Financial Officer of our Company, being Ashish Mehta as disclosed in “Our Management” on page 183
Company Secretary & Compliance Officer	The company Secretary & Compliance Officer of our Company, being Sarita Khamwani, as disclosed in “Our Management” on page 183
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, the details of which are provided in “Our Management” on page 183
Director (s)	The director(s) of our Company, unless otherwise specified
Equity Shares	The equity shares of our Company of face value of ₹10 each
Independent Directors	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013, the details of whom are provided in “Our Management” on page 183

Term	Description
Key Management Personnel/ Key Managerial Personnel/ KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, section 2(51) of the Companies Act, 2013 and as described in “Our Management” on page 183
MoA/Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee / NRC	The Nomination and Remuneration Committee of our Company, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “Our Management” on page 183
Non-Executive Director(s)	The Non-Executive Directors of our Company, as disclosed in “Our Management” on page 183
Promoters	Our Promoters, namely, Shazad Sheriar Rustomji, Manisha Shazad Rustomji and Rohan Shazad Rustomji
Promoter Group	Persons and entities constituting the promoter group in accordance with Regulation 2(1) (pp) of the SEBI ICDR Regulations. For further details, see “Our Promoters and Promoter Group” on page 200.
Promoter Selling Shareholder	Shazad Sheriar Rustomji
Registered and Corporate Office	Registered and Corporate office of our Company located at 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - West, Mumbai-400064, Maharashtra, India.
Registrar of Companies / RoC	The Registrar of Companies, Mumbai at Maharashtra, located at 100, Everest, Marine Drive, Mumbai- 400002.
Restated Financial Information	Our restated summary statement of assets and liabilities as at period ended on September 30, 2024, and financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022 and the restated summary statement of profit and loss (including other comprehensive income), cash flow statement and changes in equity as at period ended on September 30, 2024, and financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022 of our Company together with the summary statement of significant accounting policies and explanatory notes and notes to restated financial information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended
Shareholders	Shareholders of our Company from time to time.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “Our Management” on page 183

Issue Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or Advice or Intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Bidder to whom the Equity Shares are allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an

Term	Description
	amount of at least ₹1000.00lakhs.
Anchor Investor Allocation Price	Price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	Application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	One Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	Final price at which the Equity Shares will be allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, Promoter Selling Shareholder in consultation with the BRLM.
Anchor Investor Portion	Up to 60.00% of the QIB Portion which may be allocated by our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Anchor Investor Issue Price. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount /ASBA	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders.
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue/ Public Offer Bank(s)	Collectively, Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Bank and Refund Bank(s), as the case may be.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "Offer Structure" beginning on page 327
Bid	Indication to make an offer during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Investors Bidding at the Cut-

Term	Description
	off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RII and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue.
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Offer Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Maharashtra editions of Navshakti, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.</p> <p>Our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the BRLM and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.</p>
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Maharashtra editions of Navshakti, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager/ BRLM	Book Running Lead Manager to the Offer, in this case being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centre	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism, to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time.

Term	Description
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Issue Period.
Cap Price	Higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted.
Circular on Streamlining of Public Issues”/ “UPI Circular	Circular CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021./2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Participant/CDP Depository	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the DesignatedCDPLocationsintermsofcircularno.CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time.
Cut-off Price	The Issue Price, finalized by our Company, Promoter Selling Shareholder in consultation with the Book Running Lead Manager, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidders’ address, name of the Bidders’ father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com),as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case

Term	Description
	of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediary (ies)	In relation to ASBA Forms submitted by Retail Individual Investors by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders, as the case may be, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated March 20, 2024 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be allotted and the size of the Offer, and includes any addendum or corrigendum thereto.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Escrow Account	Accounts to be opened with the Escrow Collection Bank(s) and in whose favor the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which are clearing members and registered with SEBI as banker(s) to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account will be opened, in this case being Yes Bank Limited.
First or sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	Lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Fresh Issue	Fresh issue of up to 1,78,58,740 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] lakhs by our Company.
Fugitive Economic Offender	An individual who is declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among other the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information

Term	Description
	Document shall be available on the websites of the Stock Exchanges and the BRLM.
Gross Proceeds	The Offer proceeds from the Fresh Issue.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	The Initial Public Offer of up to 2,21,61,396 Equity Shares of face value of ₹10 each fully paid of Stallion India Fluorochemicals Limited for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating [●] lakhs.
Maximum NIB Allottees	Bid amount of more than ₹2.00 Lakhs
Monitoring Agency	Care Rating Limited
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds), 1996
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹10 each which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Issue Price.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see "Objects of the Offer" on page 85
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Investors /NIIs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	<p>The portion of the Offer, being not more than 15% of the Offer or [●] Equity Shares of face value of ₹10 each, which shall be available for allocation to Non-Institutional Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which:</p> <ol style="list-style-type: none"> 1. One third shall be reserved for Bidders with Bids exceeding ₹2.00 lakhs up to ₹10.00 lakhs; and 2. Two-thirds shall be reserved for Bidders with Bids exceeding ₹10.00 lakhs <p>Provided that the unsubscribed portion in either of the sub-categories specified in (i) or (ii) above, may be allocated to applicants in the other sub-category of Non-Institutional Investors.</p>
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs
Offer Agreement	Agreement dated December 05, 2023 entered amongst our Company, Promoter Selling Shareholder and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 43,02,656 Equity Shares of face value of ₹10 each at the Offer Price aggregating up to ₹ [●] lakhs by the Promoter Selling Shareholder.
Offer Price	<p>The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price which will be decided by our Company, Promoter Selling Shareholder in consultation with the Book Running Lead Manager in terms of the Red Herring Prospectus and the Prospectus.</p> <p>The Offer Price will be decided by our Company, Promoter Selling Shareholder in consultation with the Book Running Lead Manager on the Pricing Date in accordance with the Book Building Process and the Red</p>

Term	Description
	Herring Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company, being ₹[●] lakhs.
Price Band	Price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Maharashtra editions of Navshakti, a Marathi daily newspaper, (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	Date on which our Company, in consultation with the Book Running Lead Manager will finalize the Issue Price.
Prospectus	Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information, including any addenda or corrigendum at here to.
Public Offer Account	Bank Account to be opened with the Public Offer Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
Public Offer Account Bank	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited.
QIB Portion	The portion of the Offer, being not less than 50% of the Offer or [●] Equity Shares of face value of ₹10 each to be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Offer Price.
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus /RHP	Red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	Account to be opened with the Refund Bank (s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made.
Refund Bank(s)	Banker(s) to the Offer and with whom the Refund Account will be opened, in this case being Yes Bank Limited.
Registered Brokers	Stock brokers registered under SEBI (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the Book Running Lead Manager and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI.
Registrar Agreement	The agreement dated December 05, 2023 entered amongst our Company,

Term	Description
	the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars.
Registrar to the Issue /Registrar	Bigshare Services Private Limited
Retail Individual Bidder(s) /RIB(s)/Retail Investor(s)/RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Offer, being not more than 35% of the Offer or [●] Equity Shares of face value of ₹10 each, available for allocation to Retail Individual Investors subject to valid Bids being received at or above the Offer Price, which shall not be less than the minimum Bid lot, subject to availability in the Retail Portion.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date.
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i)in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time,(ii)in relation to UPI Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85dated July 26, 2019. The said lists shall be updated on SEBI website.
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement
Share Escrow Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholder, and the Share Escrow Agent for deposit of the Equity Shares offered by the Promoter Selling Shareholder in escrow and credit of such Equity Shares to the demat account of the Allottees
SCORES	Securities and Exchange Board of India Complaints Redress System.
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time.
Sponsor Bank	Axis Bank Limited and Yes Bank Limited,being a Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and/or payment instructions of the RIB using the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Syndicate / Members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members.
Syndicate Agreement	Agreement to be entered amongst our Company, Promoter Selling

Term	Description
	Shareholder and the Book Running Lead Manager and the Syndicate Members, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediary (other than BRLM) registered with SEBI who are permitted to accept bids, applications and place orders with respect to the Offer and carry out activities as a syndicate member namely, Khandwala Securities Limited.
Underwriters	[•]
Underwriting Agreement	Agreement to be entered amongst our Company, Promoter Selling Shareholder and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus with the RoC.
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	<p>Collectively, individual Bidders applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange(whose name is mentioned on the website of the stock exchange as eligible for such activity),(iii)a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv)a registrar to an issue and share transfer agent(whose name is mentioned on the website of the stock exchange as eligible for such activity)</p>
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPIID	ID created on the UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSB son the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. Such request shall be accepted by UPI Bidders at or before 5.00pm on Bid/Offer Closing Date.
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer
Wilful Defaulter	Wilful defaulter as defined under Regulation 2 (1) (III) of the SEBI ICDR

Term	Description
	Regulations
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Issue Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical/Industry Related Terms/Abbreviations

Term	Description
CFCs	Chlorofluorocarbons
CVD	Chemical Vapor Deposition
CTE	Consent to establish
CTO	Consent to operate
GWP	Global Warming Potential
HFCs	Hydro Fluoro Carbons
HFOs	Hydro Fluoro-Olefins
HCFCs	Hydro Chloro Fluoro Carbons
MPCB	Maharashtra Pollution Control Board
ODP	Ozone Depletion Potential
OEM	Original Equipment Manufacturer
PCB	Pollution Control Board
PESO	Petroleum and Explosive Safety Organisation

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual general meeting
Air Act	Air(Prevention and Control of Pollution)Act,1981
AIFs	Alternative investment funds as defined in and registered under the AIF Regulations.
AS	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time.
AY	Assessment year
BSE	BSE Limited
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
Calendar Year or Year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations.
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations.
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited.
CrPC	Code of Criminal Procedure, 1973
CSR	Corporate social responsibility

Term	Description
CAGR	Compound Annual Growth Rate
CDSL	Central Depository Services(India)Limited
CIN	Corporate Identity Number
Civil Code or CPC	The Code of Civil Procedure,1908
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013,along with the relevant rules made there under
COVID-19	Coronavirus disease 2019, a respiratory illness caused by the Novel Coronavirus and a public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
Demat	Dematerialised
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
DPID	Depository Participant Identification
DP/Depository Participant	Depository participant as defined under the Depositories Act
EBITDA	Earnings before Interest, Depreciation, Tax, Amortization and Extraordinary items (EBITDA) is calculated as profit for the year/period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
Financial Year/Fiscal/FY	Unless stated otherwise, the period of 12 months ending March 31of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI Foreign Venture Capital Investors) Regulations, 2000.
GAAR	General Anti Avoidance Rules
GDP	Gross domestic product
Gazette	Gazette of India
“GoI” or “Government” or “Central Government”	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies(Indian Accounting Standards) Rules,2015, as amended
India	Republic of India
IPC	Indian Penal Code,1860
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act,1961
KYC	Know Your Customer
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015
MCA	Ministry of Corporate Affairs

Term	Description
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under the SEBI (Mutual Funds) Regulations,1996
N/A or NA	Not applicable
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NPCI	National Payments Corporation of India
NRI	Individual resident outside India, who is a citizen of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price/earnings ratio
PAN	Permanent account number
PAT	Profit after tax
PMLA	Prevention of Money Laundering Act, 2002
R&D	Research and development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SBO Rules	Companies (Significant Beneficial Owners) Rules,2018,as amended
SCRA	Securities Contracts(Regulation)Act, 1956
SCRR	Securities Contracts(Regulation)Rules,1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board ofIndiaAct,1992
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations,1992
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
Trade Marks Act	Trade Marks Act,1999
UIDAI	Unique Identification Authority of India
U.S./USA/United States	United States of America, its territories and possessions, any State of the United States ,and the District of Columbia
USD/US\$	United States Dollars
U.S. Securities Act	United States Securities Act of 1933
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Water Act	Water (Prevention and Control of Pollution)Act,1974

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” contained in this Red Herring Prospectus are to the Republic of India. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references in this Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

Financial Data

Unless the context requires otherwise, the financial information in this Red Herring Prospectus is derived from our restated summary statements of assets and liabilities as at September 30, 2024 and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and the restated statements of profit and loss (including other comprehensive income), restated statement of cash flows and restated statement of changes in equity as at September 30, 2024, and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 of the Company with the summary statement of significant accounting policies, and other explanatory information thereon, derived from the special purpose audited financial statements as at September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Ind AS, and restated in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI. For further information, see “Financial Statements” beginning on page 205

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “Risk Factors – We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition” on page 28.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 28, 144 and 265, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Information of our Company.

Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to the Indian Rupee, the official currency of India; and
- “USD” or “US\$” are to the United States Dollar, the official currency of the United States.

In this Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs. One lakh represents “1 lakh” or 1,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US\$:

Currency	As at September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
US\$*	83.79	83.37	82.22	75.81

*Source: www.rbi.org.in and www.fbil.org.in

In case the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been considered.

The reference rates are rounded off to two decimal places.

Definitions

For definitions, please refer the Chapter titled “Definitions and Abbreviations” on page no. 1. In the Section titled “Main Provisions of Articles of Association” beginning on page no. 354, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report titled “Industry Research Report on Fluorochemicals & Specialty Gases” dated August, 2024 prepared by Care Analytics and Advisory Private Limited (“CareEdge Research”), who was appointed by our Company on November 16, 2023 (the “Care Report”) and publicly available information as well as other industry publications and sources. The Care Report has been commissioned by our Company exclusively for the purposes of the Offer for an agreed fee. Further, it is clarified that Care is not related to our Company, our Promoters or our Directors. For further details in relation to risks involving the Care Report, see the chapter titled Risk Factors beginning on page 28. The Company Commissioned Care Report is also available on the website of our Company at www.stallionfluorochemicals.com.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, adequacy and completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information, although we are of the view that the industry and market data used in this Red Herring Prospectus is reliable. The excerpts of the Care Report are disclosed in the Issue Documents and there are no parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect

current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "Basis for Offer Price" on page no. 108 includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page no. 28.

Disclaimer of CARE

This Red Herring Prospectus contains certain data and statistics from the CARE Report, which is subject to the following disclaimer:

"This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research's proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or CareEdge Research which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. CareEdge Research is also not responsible for any errors in transmission and specifically states that it, or its Directors, employees, parent company – Care Analytics and Advisory Private Limited or its Directors, employees do not have any financial liabilities whatsoever to the subscribers/users of this report. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of CareEdge Research.

CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report."

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “seek to”, “will pursue”, or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

This may be due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. Any disruption in continuous operations at our facilities;

It is vital for our business operations to run efficiently that our facilities are operated in continuous manner. Any loss of or shutdown of operations of the facilities on any grounds could adversely affect our business or results of operations.

2. Failure to perform contractual obligations by our suppliers or non-performance in a timely manner, or at all.

In the event if any of our supplier shows its inability to provide us the specific raw material that we require for our blending process and even if we may be able to procure such raw material from other suppliers, there is no guarantee that we will be able to do so at the same price or within our delivery timelines. Further, any disruption of supply of raw materials from the suppliers could disrupt our operations, which could have a material adverse effect on our reputation, business, financial condition and results of operations

3. Any increase in the cost, or delay, shortage, interruption or reduction in the supply of raw materials and major production inputs to manufacture our products;

Our largest expense, by far, is our cost of raw materials. Our primary raw materials are refrigerant gases which are blended or debulked at our facilities. We do not have long term supply contracts with our raw material suppliers, and therefore, we are subject to the risk of increases in the costs of raw materials

4. Any disruptions in the industry in which our customers compete or rapid change in preferences and other related factors;

The products of the Company are utilized by our Customers in Pharma, Auto Manufactures, Electronics, Firefighting, Glass Industry. In case there is change in preference of our customers or availability of alternative product, or competitors offering product at a lesser price may disrupt our business

5. Inability to develop new Specialty Gas may affect our future growth and business;

In order to compete in the Industry our Company is required to blend/source new speciality gas. In case, we are not able to blend / source new speciality gas we may lose our customer base and our competitors may have an advantage over us. Also it is evident from one of the object of the offer i.e. setting up of new facility at

Khalapur for semi-conductor speciality gas that our growth depends on developing/blending/sourcing of new gas

6. Failure to obtain or renew the required accreditations, licenses and permits from government, regulatory authorities in a timely manner;

It is vital for every business to obtain necessary accreditations, licenses and permits from government, regulatory authorities in a timely manner in order to run the business operations efficiently. In case there is any failure to obtain necessary approvals or failure to comply requirement of licences/approvals, Company can face regulatory actions

7. Any prolonged disruption or non-availability of timely and cost-efficient transportation and other logistic facilities.

We rely on third parties for the transportation services for the timely delivery of our products to our customers. In the event that the third party logistic service providers are unable to provide services for our operations for reasons which are beyond our control and we are unable to secure alternate transport arrangements in a timely manner and at an acceptable cost, or at all, our business operations may get affected

8. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

As we rely on the import of our primary raw material, we are exposed to exchange rate risks associated with foreign currency revenues, payables, and other foreign currency assets and liabilities. Any variations in the exchange rate could significantly impact our revenues, other income, operating costs, and net income, thereby adversely affecting our business, operating results, and financial condition

For a further discussion of factors that could cause our actual results to differ from our expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 28, 144 and 265, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Although the assumptions on which such forward-looking statements are based are reasonable, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s belief and assumptions, which in turn are based on currently available information. Although the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions as well as statements based on them could prove to be inaccurate. Neither our Company, our Promoters, our Directors, the Book Running Lead Manager, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of registration of the Red Herring Prospectus with the RoC until receipt of final listing and trading approvals by the Stock Exchanges for this Offer.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of the terms of the Offer and certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Industry Overview”, “Our Business”, “Objects of the Offer”, “Our Promoters and Promoter Group”, “Financial Statements”, “Outstanding Litigation and Material Developments”, “Offer Structure”, “Management’s Discussions and Analysis of Financial Position and Results of Operations” on pages 28, 63, 75, 118, 144, 85, 200, 205, 298, 327, and 265, respectively.

Primary business of our Company

Our Company, commonly known as Stallion, is a Mumbai-based company incorporated on September 05, 2002 by Shazad Sheriar Rustomji, the Chairman & Managing Director and is also one of the Promoter of the Company.

We are into the business of selling Refrigerant and Industrial Gases and related products. Our primary business consists of debulking, blending and processing of Refrigerant and Industrial gases, selling of pre filled cans and small Cylinders/ Containers.

We have four facilities located in Khalapur (Maharashtra), Ghiloth (Rajasthan), Manesar (Haryana) and Panvel (Maharashtra). Each of these facilities is designed and equipped to store gases in a controlled environment, ensuring adherence to the safety standards.

Our gases find application in various industries/segments such as Air conditioners & Refrigerators, Fire Fighting, Semiconductor manufacturing, Automobile Manufacturing, Pharma and Medicals, Glass bottle manufacturing, Aerosols and Spay foam.

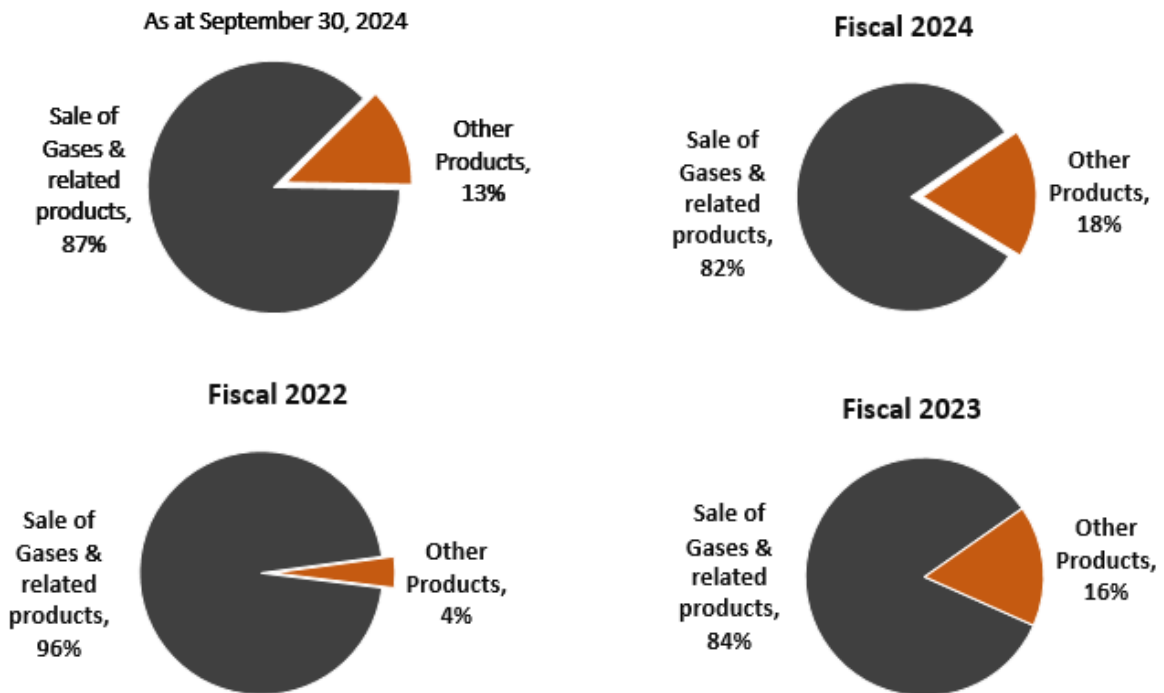
We sell our products across Indian states but the major supply is in the state of Maharashtra and Delhi. For period ended September 30, 2024, fiscal 2024 and Fiscal 2023 our revenue from the state of Maharashtra and Delhi constituted for 74.41%, 69.82% and 63.92% respectively of our total revenue.

Bifurcation of our company’s revenue by products:

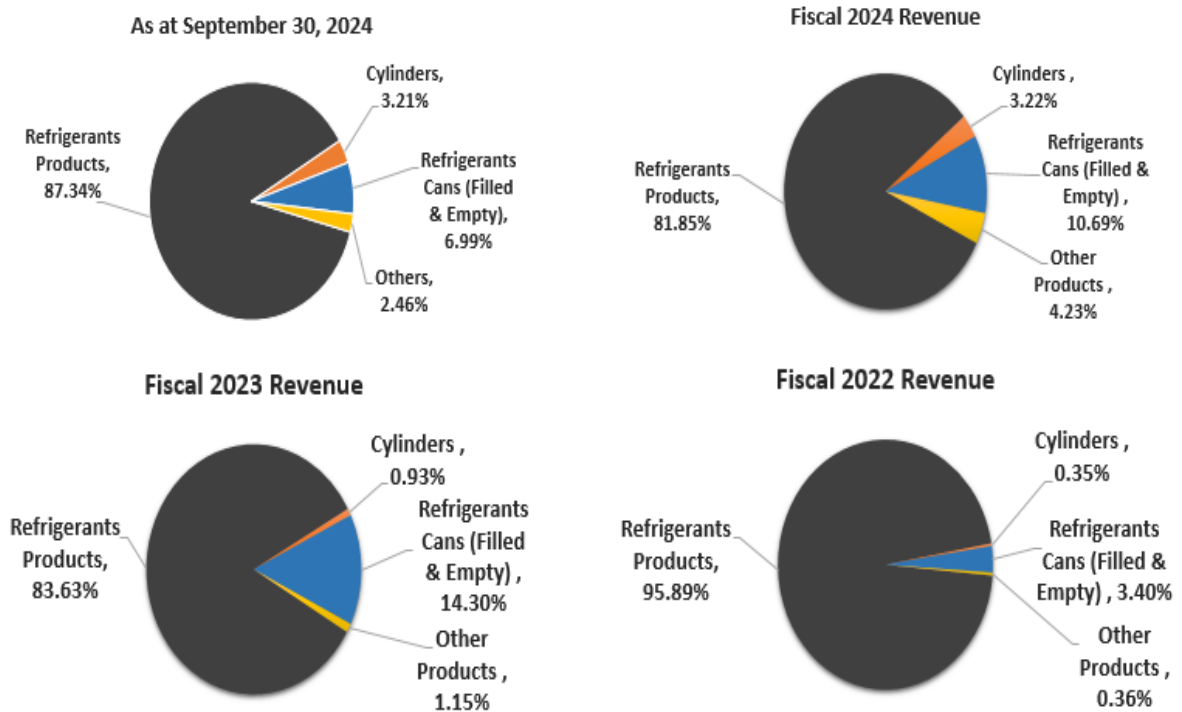
Product category	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
	Revenue	Revenue	Revenue	Revenue
(₹ in lakhs)				
Sale of Gases & related products				
Refrigerants Products	12,286.87	19,085.47	18,848.57	17,795.49
Other Products				
Cylinders	451.34	750.74	208.74	65.19
Paint	-	46.63	-	-
Washer Pump	73.50	494.33	244.21	-
Refrigerants Cans (Filled & Empty)	983.04	2,493.45	3,222.25	631.03
Vaccum Pump, AC Cleaner, Anti Rust Lubricant, Wooden pallets & Spectra Shield, Valves & Caps etc.	259.41	429.75	1.05	66.24
Spare Parts of Washer	13.11	15.93	13.31	-
Total	14,067.27	23,316.30	22,538.14	18,557.95

Sources of revenue contribution

Segment wise Revenue



Product wise Revenue



Note: Others includes Vaccum Pump, AC Cleaner, Anti Rust Lubricant, Wooden pallets & Spectra Shield, Valves & Caps, Washer pump, Spare Parts of Washer etc.

For further information, see “Our Business” on page 142.

Industry Overview

The Indian Fluorochemicals and Specialty Gases market is set to grow at a CAGR of 16-18% from 2024 to 2029, reaching \$675-725 million. Key drivers include rising demand from electronics, healthcare, and manufacturing sectors. Fluorochemicals and specialty gases are crucial for applications like PCBs, semiconductor manufacturing, and medical processes. The "Make in India" initiative is boosting domestic production and foreign investment, especially in electronics. Growth is further supported by infrastructure projects and technological advancements. focus should be on innovation and efficiency to leverage these opportunities amid challenges like environmental regulations and competition. For further details refer “Our Industry” on page 118.

Our Promoters

Our Company is promoted by Shazad Sheriar Rustomji, Manisha Rustomji and Rohan Rustomji. For further details see “Our Promoters and Promoter Group” on page no. 200.

Size of the Issue

Equity Shares Issued:	Up to 2,21,61,396* Equity Shares of face value of ₹ 10 each for cash at a price of ₹. [●] per Equity Share aggregating ₹. [●] lakhs. <i>*Subject to finalisation of Basis of Allotment.</i>
Fresh Issue of Equity Shares by our Company and Offer for Sale by the Promoter Selling Shareholder	
<i>The Issue consists of:</i>	
Fresh Issue⁽¹⁾	Up to 1,78,58,740* Equity Shares of face value of ₹ 10 each for cash at a price of ₹. [●] per Equity Share aggregating ₹. [●] lakhs. <i>*Subject to finalisation of Basis of Allotment.</i>
Offer for Sale⁽²⁾	Up to 43,02,656* Equity Shares of face value of ₹ 10 each for cash at a price of ₹. [●] per Equity Share aggregating ₹ [●] lakhs. <i>*Subject to finalisation of Basis of Allotment.</i>

The Issue would constitute 27.94% of the Post-Issue paid up equity share capital of our Company. For further details, see “The Offer” and “Offer Structure” on pages 63 and 327 respectively.

- 1) The Offer has been authorized by a resolution of our Board dated November 16, 2023 and the Fresh Issue has been authorized pursuant to a special resolution of our Shareholders dated November 30, 2023.*
- 2) The Promoter Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer for Sale in accordance with the provisions of the SEBI ICDR Regulations. The Board has taken on record the participation of the Promoter Selling Shareholder pursuant to the resolution dated December 05, 2023.*

Object of the Offer

The Issue comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder.

The Offer for Sale

The Promoter Selling Shareholder proposes to sell up to 43,02,656 Equity Shares of face value of ₹10 each held by him, aggregating up to ₹. [●] lakhs. Our Company will not receive any proceeds of the Offer for Sale by the Promoter Selling Shareholder.

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

		(₹ in lakhs)
Sr. No.	Particulars	Amount
1)	Funding incremental working capital requirements of our Company	9,500.00

Sr. No.	Particulars	Amount
2)	Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility (“Khalapur, Maharashtra”)	2,915.54
3)	Funding capital expenditure requirements for our Refrigerant debulking & blending facility (“Mambattu, Andhra Pradesh”)	2,117.53
4)	General Corporate Purposes*	[●]
	Total	[●]

*The amount to be utilized for general corporate purposes will not exceed 25.00% of the Fresh Offer Proceeds.

For further details, see “Objects of the Offer” on page 85.

Aggregate Pre-Issue shareholding of our Promoters and Promoter Group

Sr. No.	Name of shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Equity Share capital (%) on a fully diluted basis	Number of Equity Shares	Equity Share capital (%)
(A) Promoters					
1.	Shazad Sheriar Rustomji	5,81,45,864	94.60%	5,38,43,208	67.88%
2.	Manisha Shazad Rustomji	15,750	0.02%	15,750	0.01%
3.	Rohan Shazad Rustomji	4,500	0.01%	4,500	0.01%
	Total (A)	5,81,66,114	94.63%	5,38,63,458	67.90%
(B) Promoter Group					
	-	-	-	-	-
	Total (B)	-	-	-	-
	Total (A+B)	5,81,66,114	94.63%	5,38,63,458	67.90%

For further details, please see “Capital Structure” beginning on page 75.

Summary of Restated Financial Information

Particulars	As at September 30, 2024	As at March 31		
		2024	2023	2022
Share Capital	6,146.65	6,146.65	5,512.50	1,225.00
Net Worth ⁽¹⁾	13,453.20	11,796.39	7,070.32	6,093.66
Total Revenue/Income	14,153.16	23,622.63	22,606.35	18,634.07
Profit After Tax	1,656.51	1,478.33	975.30	2,110.97
Earnings per share (in Rs.) ⁽²⁾ (Basic & Diluted)	2.69	2.54	1.77	3.83
Total Borrowing (as per Balance Sheet) ⁽³⁾	8,104.75	6,534.54	1,827.42	196.97
Net Asset Value (₹) ⁽⁴⁾	21.89	19.19	12.83	49.74

- 1) “Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of our Company;
- 2) $EPS = \text{Total Comprehensive income/Profit divided by weighted average no. of equity shares outstanding during the year/ period}$
- 3) Total borrowings is the sum of current borrowings and non-current borrowings.
- 4) NAV per Equity Share (in Rs.) is computed as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.

For further details, please see “Financial Statements” on page 205.

Qualification of the Auditors

The Financial Statements as Restated do not contain any qualification requiring adjustments by the Auditors.

Summary of Outstanding Litigation are as follows

A summary of outstanding litigation proceedings as on the date of this Red Herring Prospectus as disclosed in the section titled “Outstanding Litigation and Material Developments” in terms of the SEBI ICDR Regulations is provided below:

Name of Entity	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Material – Criminal Litigations	Aggregate amount involved* (₹ in lakhs)
Company						
By our Company	Nil	Nil	NA	Nil	Nil	Nil
Against our Company	2	Nil	NA	2	Nil	69.58
Promoters (excluding cases against our Directors who are also our Promoters)						
By our Promoters	Nil	Nil	NA	3	Nil	Nil
Against our Promoters	4	Nil	Nil	1	Nil	46.12
Promoter Group						
By our Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil
Directors (excluding cases of Directors who does not falls under Promoter Group)						
By our Directors	Nil	Nil	Nil	Nil	Nil	NA
Against our Directors	2	Nil	Nil	Nil	Nil	7.36
Subsidiaries[^]						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA

* Aggregate amount involved is with respect to Outstanding Tax Demands

For the details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page no. 298.

Risk Factors

Following are the top 10 risk factors; for further details investors should read chapter titled “Risk Factors” beginning on page no. 28.

- 1) Our revenue from operations depends on sale of Refrigerant Gases and is restricted to certain geographies only. Any changes or a decline in demand, could adversely affect our ability to grow or maintain our sales, earnings and cash flow.
- 2) Increases in the cost of raw materials as a percentage of our revenue from operations could have a material adverse effect on our results of operations and financial condition.
- 3) We import our raw materials with respect to our business operations majorly from China. Any restrictions on import of raw materials may impact our business and results of operations.
- 4) We are subject to risks arising from foreign exchange rate movements
- 5) Zhejiang Sanmei Chemical Industry Co. Ltd. (Sanmei) have issued a notice through its Legal representative demanding USD 12,51,290.00 i.e Rs. 949.85 lakhs. In the event that, if any legal or regulatory proceedings are initiated, any adverse outcome arising therefrom could affect our reputation, financial condition and cash flow.

- 6) In the past our Company had negative cash flows from our operating activities, investing activities as well as financing activities, further, we may experience negative cash flows in the future
- 7) The supply of our products is subject to periodical fluctuations with a significant portion of our turnover concentrated in the months from February to May
- 8) We do not have agreements having commitment on part of our customers to purchase or place orders with us. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.
- 9) We may experience loss of, or a decrease in, revenue due to lower blending/processing levels
- 10) We have submitted an application to the Expert Advisory Committee (“EAC”) of the Institute of Chartered Accountants of India (“ICAI”) for their opinion on the accounting treatment related to the “Sanmei”. The decision is currently pending. Any adverse opinion given by the EAC could adversely impact the financial position and reputation of the Company.

Summary of Contingent Liabilities

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Matters with Income Tax Authorities	56.25	56.25	56.25	-
Claims not acknowledged as debt*	-	1,043.25	-	-
Outstanding Bank Guarantees	129.43	112.16	0.66	3.32
Bill discounting facility				
- Sanctioned	380.00	-	-	-
- Utilised	78.85	-	-	-
Total	644.44	1,211.66	56.91	3.32

For further information, please see “Financial Statement, note 25” beginning on page no. 214.

Summary of Related Party Transactions

A summary statement of the related party as following:

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Shazad Rustomji	Geetu Yadav	Manisha Rustomji	Rohan Rustomji	Ashish Mehta	Prachi Walawalkar	Sarita Khamwani	Stallion Enterprises
Relationship with Company	Managing Director	Director	Director	Director	Chief Financial Officer	Company Secretary*	Company Secretary^	Sole Proprietorship of Shazad Rustomji
Sale of Goods								
September 30, 2024	-	-	-	-	-	-	-	-
% of total sales	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	1,092.96
% of total sales	-	-	-	-	-	-	-	14.86%
March 31, 2023	-	-	-	-	-	-	-	1,488.59
% of total sales	-	-	-	-	-	-	-	6.30%
March 31, 2022	-	-	-	-	-	-	-	3,850.87
% of total sales	-	-	-	-	-	-	-	16.37%
Purchase of Goods								
September 30, 2024	-	-	-	-	-	-	-	-
% of total purchase	-	-	-	-	-	-	-	-

Particulars	Shazad Rustomji	Geetu Yadav	Manisha Rustomji	Rohan Rustomji	Ashish Mehta	Prachi Walawalkar	Sarita Khamwani	Stallion Enterprises
March 31, 2024	-	-	-	-	-	-	-	292.02
% of total purchase	-	-	-	-	-	-	-	1.47%
March 31, 2023	-	-	-	-	-	-	-	1,701.21
% of total purchase	-	-	-	-	-	-	-	9.04%
March 31, 2022	-	-	-	-	-	-	-	1,426.42
% of total purchase	-	-	-	-	-	-	-	9.51%
Rent Paid								
September 30, 2024	60.00	-	-	-	-	-	-	-
March 31, 2024	74.20	-	-	-	-	-	-	6.00
March 31, 2023	-	-	-	-	-	-	-	12.00
March 31, 2022	-	-	-	-	-	-	-	12.00
Remunerations								
September 30, 2024	12.00	15.00	6.00	2.70	6.00	-	3.12	-
March 31, 2024	24.00	30.00	12.00	5.30	6.00	0.90	3.26	-
March 31, 2023	24.00	30.00	12.00	4.80	-	1.80	-	-
March 31, 2022	24.00	19.20	12.00	2.00	-	1.80	-	-
Outstanding Balances								
<i>Trade Payables</i>								
September 30, 2024	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	1,254.69
March 31, 2022	-	-	-	-	-	-	-	1,714.53
Loan from Directors								
September 30, 2024	979.64	-	-	-	-	-	-	-
March 31, 2024	1488.98	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-

For details of the related party transactions, as per the requirements under Ind-AS see 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India and as reported in the Restated Financial Statements, see "Financial Information – Related Party Disclosure under Ind AS 24" beginning on page no. 202

Details of pre-IPO Placement

Our Company is not contemplating a pre-IPO placement.

Details of price at which specified securities were acquired by our Promoters, Promoter Group and any shareholder having rights to nominate directors or any other rights in our Company in the last three years preceding the date of this Red Herring Prospectus

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Red Herring Prospectus, by our Promoters, members of the Promoter Group. There are no Shareholders with nominee director or other special rights, as on the date of this Red Herring Prospectus.

The details of the price at which these acquisitions were undertaken are stated below:

Sr. No.	Name of the Shareholder	Category	Date of acquisition of Equity Shares	Nature of Transaction	No. of Equity Share acquired	Acquisition price per Equity Share (₹)
1.	Shazad Sheriar Rustomji	Promoter	January 20, 2023	Bonus Issue in the ratio of 3.5:1	4,28,59,250	NIL*
2.	Manisha Shazad Rustomji				12,250	
3.	Rohan Shazad Rustomji				3,500	
4.	Shazad Sheriar Rustomji		September 30, 2023	Allotment Pursuant to Slump Sale Agreement	63,41,514	51.20

*There is no acquisition price per Equity Share for these transactions, as these Equity Shares are allotted pursuant to bonus issue.

#for further details, see "Capital Structure" on page 75.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Red Herring Prospectus.

Weighted Average Price of the Equity Shares of our Company were acquired by our Promoters in the one year preceding the date of this Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoter in one year preceding the date of this Red Herring Prospectus is as follows:

Name of Promoter	Number of Equity Shares	Weighted average price per Equity Share (in ₹.)*
NA	Nil	NA

*As certified by Mittal & Associates, Chartered Accountants vide certificate dated December 07, 2024

Weighted Average Cost of Acquisition

The weighted average cost of acquisition per Equity Share to our Promoters in three years preceding the date of this Red Herring Prospectus is:

Name of Promoter	Number of Equity Shares	Weighted average price per Equity Share (in ₹.)*
Shazad Sheriar Rustomji	4,59,00,364	7.07
Manisha Shazad Rustomji	12,250#	Nil
Rohan Shazad Rustomji	3,500	Nil

*As certified by Mittal & Associates, Chartered Accountants vide certificate dated December 07, 2024

#Pursuant to Bonus allotment

Weighted Average Cost of Acquisition for our Promoters as on date of this Red Herring Prospectus

Name of Promoter	Number of Equity Shares	Weighted average price per Equity Share (in ₹.)*
Shazad Sheriar Rustomji	5,81,45,864	6.79
Manisha Shazad Rustomji	15,750	1.27
Rohan Shazad Rustomji	4,500	5.56

*As certified by Mittal & Associates, Chartered Accountants vide certificate dated December 07, 2024

Issue of Equity Shares for consideration other than cash in the last one year

No Equity Shares have been issued by our Company for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

Split / Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not made any application under Regulation 300(2) of the SEBI ICDR Regulations for seeking exemption from strict compliance with any provisions of securities laws, as on the date of this Red Herring Prospectus.

SECTION II RISK FACTOR

An investment in the Equity Shares involves significant risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. If any of the following risks or any of the other risks and uncertainties actually occur, our business, financial condition, results of operations, cash flows and prospects could be impacted, the trading price of our Equity Shares could decline, and you may lose significant part of your investment. These risks and uncertainties are not the only ones that we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial, may in the future have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. This section should be read together with the sections titled “Our Business”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Outstanding Litigations and Material Developments” on pages 144, 118, 170, 205, 265 and 298 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.

Unless specified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examination of details shared by us and the terms of this Offer, including the merits and risks involved and consult their tax, financial and legal advisors about particular consequences to them, of an investment in the Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements, as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. See “Forward-Looking Statements” on page 17.

INTERNAL RISK FACTORS

A. Business Risks / Company Specific Risks

- 1) Our revenue from operations depends on sale of Refrigerant Gases and is restricted to certain geographies only. Any changes or a decline in demand, could adversely affect our ability to grow or maintain our sales, earnings and cash flow.**

A significant portion of our revenue from operations are generated from sale of Refrigerant Gases. For the period ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, our revenue from sale of Refrigerant Gases was 87.34%, 81.85%, 83.63% and 95.89% of our total revenue from sale of products, respectively in such periods. We expect to continue to derive most of our revenue from operations from sale of Refrigerant Gases. Any changes in the requirement policy or a decline in demand, could adversely affect our ability to grow or maintain our sales, earnings, and cash flow.

Further, as on date, the revenue generation of our Company are materially based in the major states like Maharashtra and Delhi. For period ended September 30, 2024 and for financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 our revenue from these states were 74.41%, 69.82%, 63.92% and 60.41% respectively of our Company’s total revenue. Our business operations and the demand for our products are therefore exposed to any deterioration in the economic, social and/or political conditions as well as changes in the relevant government policies in the state of Maharashtra and Delhi. In the event of any adverse changes in the economic and social conditions or government policies in these states, our financial position and performance may be materially and adversely affected if we are unable to divert our business to other regions

- 2) Increases in the cost of raw materials as a percentage of our revenue from operations could have a material adverse effect on our results of operations and financial condition.**

Our largest expense, by far, is our cost of raw materials. Our primary raw materials are refrigerant gases which are blended or debulked at our facilities. In some instance our Raw Material and our final products are same as the gases are debulked into smaller quantities and sold in under our brand name “Stallion”. For further details, please refer “Our Business” on page 144.

The details of cost vis a vis revenue for period ended September 30, 2024 and Fiscals 2024, Fiscal 2023 and Fiscal 2022, respectively is stated below:

(₹ in lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Revenue (A) ⁽¹⁾	14,073.15	23,323.58	22,550.44	18,588.27
Cost of Raw Material Consumed(B)	12,370.11	19,467.12	19,557.59	15,141.65
% of Total Revenue [(B)/(A)*100]	87.90%	83.47%	86.73%	81.46%
Total Cost (C) ⁽²⁾	10,975.20	19,409.61	19,367.87	14,370.95
% of Total Revenue [(C)/(A)*100]	77.99%	83.22%	85.89%	77.31%

Note:

(1) Total Revenue means revenue from operations

(2) Total Cost excludes other expense

Further, we do not have long term supply contracts with our raw material suppliers, and therefore, we are subject to the risk of increases in the costs of raw materials. Our top 10 suppliers for period ended September 30, 2024 and Fiscals 2024, 2023 and 2022 accounted for 65.99%, 50.62%, 61.67% and 68.12% of the total amount in Rupee terms of the raw materials purchased by us, respectively.

3) We import our raw materials with respect to our business operations majorly from China. Any restrictions on import of raw materials may impact our business and results of operations.

Our purchase of raw material comprises of Import purchase as well as Domestic purchase. The prices of our raw material depend on global demand-supply dynamics as well as domestic output and import volumes of gases. Duty changes (by the Indian government and exporting countries) can result in price fluctuations, and hence volatility in demand.

Below is the percentage wise import of raw material as a total purchase for the period ended September 30, 2024 and for fiscal 2024, Fiscal 2023 and Fiscal 2022.

(₹ in lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Import of Raw Material	11,961.76	17,960.05	15,836.71	13,697.64
Percentage of total purchase	97.78%	76.07%	84.15%	91.31%
Total Purchase	12,233.56	23,610.93*	18,818.67	15,001.03

*Purchases for fiscal include Rs. 3,834.26 lakhs purchases made through slum sale arrangement dated September 30, 2023.

Most of our raw materials are imported from China. The total imports from China represents 92.97%, 96.43%, 97.24% and 91.68% for the period ended September 30, 2024 and Fiscals 2024, Fiscal 2023 and Fiscal 2022 respectively of our total import purchase. The cost of these raw materials to us is affected by fluctuations in market prices and import duties. For instance, The Directorate General of Trade Remedies (“DGTR”) initiated an investigation on April 01, 2019 of anti-dumping for the import of Hydrofluorocarbon (HFC) “Component R-32” which forms the part of a Raw material used in our Business. The DGTR vide its order dated September 23, 2021 has imposed an anti-dumping duty of USD 1,519.70 MT. The Ministry of Finance vide its notification 75/2021-Customs (ADD) dated December 21, 2021 has on the basis of final findings of DGTR vide notification F. No.06/33/2020-DGTR has recommended imposition of anti-dumping duty for a period of 5 years starting from December 21, 2021. Further, in case the respective authority imposes such action on other components that we import for our Business, we may face pricing issues and it will have an adverse effect on our Business.

If we cannot fully offset increases in the cost of raw materials with increases in the prices for our products, we will experience lower margins, which will have a material adverse effect on our results of operations and financial condition.

4) We are subject to risks arising from foreign exchange rate movements.

As we rely on the import of our primary raw material, we are exposed to exchange rate risks associated with foreign currency revenues, payables, and other foreign currency assets and liabilities.

The import costs represented 85.00%, 77.00 %, 70.23 % and 73.69 % of our revenue from operations for period ended September 30, 2024 and Fiscals 2024, 2023 and 2022, respectively. Since, major imports of our company is from China the volatility in the exchange rate between the Indian Rupee and the Chinese Yuan in recent years poses a potential risk, and future fluctuations may occur. Consequently, variations in the exchange rate could significantly impact our revenues, other income, operating costs, and net income, thereby adversely affecting our business, operating results, and financial condition.

5) Zhejiang Sanmei Chemical Industry Co. Ltd. (Sanmei) have issued a notice through its Legal representative demanding USD 12,51,290.00 i.e ₹ 949.85 lakhs. In the event that, if any legal or regulatory proceedings are initiated, any adverse outcome arising therefrom could affect our reputation, financial condition and cash flow.

The Company and Sanmei have had multiple contracts in the past for supplying gases. In the year 2021, the Company entered into more contracts with Sanmei to supply different refrigerants like R410a, R32, R407C, etc., which were delivered in returnable ISO-Tanks.

However, there's was a disagreement between the company and Sanmei. Sanmei's legal representatives therefore escalated the issue by sending a demand notice on December 02, 2021, under the Insolvency and Bankruptcy Code, 2016, demanding \$12,51,290.00 ("Notice"). However, there is no further proceedings.

The Company responded to Sanmei's notice dated December 02, 2021 via email on December 23, 2023 stating that Sanmei failed to fulfill contractual obligations by not supplying gases as agreed. Thereafter, the Company also received a rejoinder notice from Sanmei's advocates on January 08, 2024. The Company disputes such alleged debt and will defend against any legal action from Sanmei. Further, the Company has also received a complaint on SCORES dated June 21, 2024 and the Company has duly replied to the same vide letter dated June 27, 2024.

The legal representatives of Sanmei had also raised objections concerning the accounting treatment adopted by the Company in relation to the transaction between the parties. In response, the Company has formally addressed these concerns, asserting that the accounting practices implemented were consistent with the relevant accounting standards.

Further, Sanmei's legal representatives have also addressed notices to the Company demanding payment of USD 4,11,150.00 (US Dollars Four Lakh Eleven Thousand One Hundred Fifty Only) from the Company towards delay in returning certain containers which claim is challenged by the Company.

The issue/claim/counter-claim between the two parties is ongoing, and as of now, no proceedings are filed in any court of law or before any arbitral tribunal by Sanmei. Further, there can be no assurance that the Company will not receive further complaints from Sanmei in the future. However, if any legal proceeding is initiated against the Company by Sanmei, then that may result in adverse effects on the financial condition of the company. It may divert the attention of our Management and Promoters and we may incur significant expenses in such proceedings, which could increase our expenses and liabilities. If such claim is determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations.

6) In the past our Company had negative cash flows from our operating activities, investing activities as well as financing activities, further, we may experience negative cash flows in the future.

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in some of the previous year(s) as per the Restated Audited Financial Statements and the same are summarized as under:

(₹. in lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Cash Flow from/ (used in) Operating Activities	(403.03)	(7344.79)	(281.14)	798.95
Cash Flow from/ (used in) Investing Activities	(337.14)	1213.58	(1,337.91)	(79.65)
Cash Flow from/ (used in) Financing Activities	1345.08	7643.64	1,557.82	(815.56)

September 30, 2024

Cash Flow used in Operating Activities: Cash Used for investing activity is negative to the extent of ₹403.03 lakhs. This was primarily due to increase in inventories, other non current assets and trade receivables by ₹ 1,649.90 lakhs, ₹ 467.08 lakhs and ₹ 631.66 lakhs respectively.

Cash Flow used in Investing Activities: Cash Used for investing activity is negative to the extent of ₹337.14 lakhs, primarily on account of Purchase of property, plant and equipment, capital work in progress and intangible assets of ₹ 365.90 lakhs.

Fiscal 2024

Cash Flow used in Operating Activities: Operating cash flow before working capital changes was ₹ 2,126.94 lakhs. Funds were blocked in trade receivables of ₹ 3,148.04 lakhs, ₹ 3.83 lakhs in financial assets, inventories of ₹ 4,935.78 lakhs and trade payables of ₹ 1,901.80 lakhs and inflows of liabilities of ₹ 140.18 lakhs and inflows from other current assets of ₹ 315.73 lakhs. Since, change in working capital was Rs ₹ (6,868.60) lakhs exceeds operating cash flows ₹ 2,650.52 lakhs, the resultant Cash from operation was negative to ₹ 7,344.79 lakhs post tax.

Fiscal 2023

Cash Flow used in Operating Activities: Operating cash flow before working capital changes was ₹1,297.42 lakhs. Funds blocked in receivables of Rs 1,465.44 lakhs, other current assets of ₹320.33 lakhs and trade payables decreased by ₹ 547.28. Cash inflows of ₹ 1,008.32 lakhs was accounted for increase in non current liabilities and provisions. Post income tax payment of ₹ 1052.06 lakhs Cash from operating activities were negative to the extent of ₹ 281.14 lakhs.

Cash Flow used in Investing Activities: Funds were used in purchase of Investments of ₹1,413.86 lakhs and fixed assets of ₹0.80 lakhs, proceeds from sale of fixed assets was ₹28.45 lakhs and interest income of ₹48.30 lakhs since the outflow was higher than inflows, Cash from investing activity was negative of ₹1,337.91 lakhs.

Fiscal 2022

Cash Flow used in Investing Activities: Funds were used in purchase fixed assets of ₹130.39 lakhs, loss from sale of fixed assets was ₹0.02 lakhs and interest income of ₹1.70 lakhs, redemption of fixed deposits of ₹49.05 since the outflow was higher than inflows, Cash from investing activity was negative of ₹79.65 lakhs.

Cash Flow used in Financing Activities: Funds were used in payment of short term borrowings of ₹764.47 lakhs and interest paid on borrowings of ₹51.10 lakhs resulted negative cash flow of ₹815.56 lakhs.

For further information, please refer to the section titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 232 of this Red Herring Prospectus.

7) The supply of our products is subject to periodical fluctuations with a significant portion of our turnover concentrated in the months from February to May

Our business exhibits a notable dependency on seasonal patterns, with a significant portion of our turnover concentrated in the months from February to May. This fluctuation is influenced by various factors such as industry demand fluctuations, project timelines and specific market dynamics.

The details of turnover for the period from February to May is as follows:

From	To	No of Month	Sales Value (₹ in lakhs)	% of Total Sales
June 2021	January 2022	8	11,439.59	53.41%
February 2022	May 2022	4	9,980.28	46.59%
Total for the Period		12	21,419.87	100%
June 2022	January 2023	8	11,316.94	52.34%
February 2023	May 2023	4	10,305.70	47.66%
Total for the Period		12	21,622.64	100%
June 2023	January 2024	8	16,396.82	49.69%
February 2024	May 2024	4	16,602.51	50.31%
Total for the Period		12	32,399.33	100%

The heightened turnover during the above mentioned months exposes us to a concentration of revenue, making our financial performance vulnerable to any adverse conditions or disruptions occurring within this period. The concentrated demand may pose operational challenges, including the need for increased production capacity, efficient supply chain management, and timely delivery logistics. Failure to address these challenges adequately could impact our ability to meet customer demands.

Periodical peaks may necessitate elevated working capital requirements to manage increased production and inventory levels. Inadequate working capital management may lead to liquidity challenges and impact our ability to seize business opportunities. Our susceptibility to periodical demand makes us sensitive to broader economic conditions, industry trends, and market dynamics during the specified months. External factors influencing demand patterns could affect our revenue forecasts and overall financial stability. Due to these factors, comparisons of sales and operating results between the same periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of our performance. In case we failed to manage our business operations effectively we may face profitability & performance issues.

8) We do not have agreements having commitment on part of our customers to purchase or place orders with us. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.

We typically rely on blanket purchase orders issued by our customers from time to time that set out the price per unit of the products that are to be supplied to/ purchased by them from us. Pursuant to the purchase order, our customers provide us the quantities of units to be supplied along with the delivery schedules specifying the details of delivery.

The table below sets forth details of our revenue from operations based on our restated financials from our top 2, top 5 and top 10 customers in the periods indicated:

Customer Concentration	As at September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in lakhs)	%	(₹ in lakhs)	%	(₹ in lakhs)	%	(₹ in lakhs)	%
Top 2 Customer	4,227.94	30.66%	8,240.24	35.34%	5,737.71	25.46%	5,281.93	28.46%
Top 5 Customer	8,307.43	59.06%	13,445.56	57.67%	11,639.21	51.64%	9,692.49	52.23%
Top 10 Customer	10,877.38	77.32%	17,648.53	75.69%	16,852.37	74.77%	13,525.62	72.88%

The Company's revenue stream is significantly dependent on a limited number of customers. In operations, a substantial portion of revenues is reliant on a select number of customers, and the potential to significantly reduce customer concentration in the future remains uncertain.

As we do not have long-term agreements with our customers. Customers may choose to cease sourcing our products. We cannot assure that we will receive repeat orders from our customers in the future. Although, we have established our relations with our customers which can be depicted from the below table:

Customer Concentration	Tenure of relationship
Top 5 Customer	Average 6-7 years
Top 10 Customer	Average 3-4 years

We cannot assure that we may be able to maintain the relationship in future also. Further, absence of any contractual exclusivity with respect to our business arrangements with such customers poses a threat on our ability to be able to continue to supply our products to these customers in the future. Should the customer cease to place orders in the future, our revenue might decline, potentially impacting our financial standing.

Moreover, any deterioration in the financial condition or business prospects of these key customers may adversely impact their demand for our products and their ability to fulfill payment obligations in a timely manner or at all, potentially leading to a substantial decrease in the revenues derived from these customers.

Furthermore, the potential loss of a significant customer or a reduction in the volume of business from such a customer could exert adverse effects on our business, including impacts on results of operations, cash flows, and overall financial condition.

9) We may experience loss of, or a decrease in, revenue due to lower blending/processing levels.

Our average capacity utilization across all our facilities for our products is as follows:

Capacity Utilization	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Khalapur (Maharashtra)	51.92%	49.42%	37.76%	28.95%
Ghiloth (Rajasthan)	15.30%	26.71%	24.60%	12.15%
Manesar (Haryana)	17.58%	25.12%	44.09%	46.69%
Panvel (Maharashtra)*	-	21.38%	22.58%	30.59%

**Panvel and Khalapur plants operate as one. The entire billing for Maharashtra is done from the Khalapur plant.*

For further details on our installed capacities, please see section titled "Our Business" on page 146. We cannot assure you that we will achieve optimal blending/processing capacities than we have achieved in the past at our existing facilities. The capacity utilisation at our facilities is subject to various factors such as periodic fluctuations, demand for refrigerant gases, etc. Further, at our existing facilities we cannot blend new gases due to technical requirement as the facilities are set up with specific machines which only blend/debulk those gases for which the machinery is set up. Also, if we want to blend new specialty gas, we cannot do so at our existing facility as it requires installation of new machineries for blending the new gas, which will require additional capital expenditure on the part of the Company. This inherent characteristic of the business restricts the capacity utilization to being fully utilized.

Higher capacity utilisation is critical to achieving higher revenues and profitability. If we are unable to achieve and, consistently maintain, higher levels of capacity utilisation or if our capacity utilisation falls below the current levels, our revenues and profitability could be adversely affected. In addition, lower blending/processing capacity could also adversely impact our ability to attract additional customers and grow our business. We cannot assure you that we will successfully implement new technologies effectively or adapt our systems to emerging industry standards. In addition, we may be required to shut down certain facilities for capacity expansion and equipment upgrades.

10) We have submitted an application to the Expert Advisory Committee (“EAC”) of the Institute of Chartered Accountants of India (“ICAI”) for their opinion on the accounting treatment related to the “Sanmei”. The decision is currently pending. Any adverse opinion given by the EAC could adversely impact the financial position and reputation of the Company.

The Company has been involved in a dispute with its vendor, Zhejiang Sanmei Chemical Industry Co., Ltd (“Sanmei”), inter-alia regarding the supply of refrigerant and industrial gases by Sanmei to the Company, with a portion of material not supplied by Sanmei and consequently led to certain payments being withheld by the Company. In Fiscal 2023, the Company had written back the liability of ₹949.85 lakhs, based on the belief that no further outflow of resources is probable. This decision to write back such liability was made since a substantial period of time had elapsed from the issuance of the notice by Sanmei under the Insolvency and Bankruptcy Code and no formal insolvency proceedings had been initiated by Sanmei against the Company and no proceedings had been filed in any court of law or before any arbitral tribunal in relation to the above by Sanmei. The Company is not aware of any such proceedings being filed by Sanmei against it even as on the date of this Red Herring Prospectus. However, following the filing of its Draft Red Herring Prospectus with SEBI, the Company received further claims from Sanmei, leading the Company to disclose the matter as a contingent liability in its financial statements prepared for Fiscal 2024. The Company has submitted an application to the EAC of the ICAI on October 9, 2024, seeking their opinion on the accounting treatment of the said transaction. The EAC is currently reviewing the matter and its opinion is pending to be received by the Company. If the opinion is received post listing, the same shall be disclosed under relevant provisions including Regulation 30 of LODR Regulations, 2015. Further, if the EAC rules unfavorably on the accounting treatment, it could lead to legal proceedings by ICAI or the National Financial Reporting Authority or MCA or any other regulatory body against the Company or its statutory auditors and may adversely impact the financial position and reputation of the Company.

11) Our Statutory Auditors have included in their examination report emphasis of matters that were included in the underlying auditor’s reports on our restated financial information.

Our Statutory Auditors have included in their examination report emphasis of matters that were included in the underlying auditor’s reports on our restated financial information.as follows:

“We draw attention to Note No. 26(ii) of Annexure VI to the restated financial statements, which outlines an ongoing product liability dispute between the Company and Zhejiang Sanmei Chemical Industry Co., Ltd. (“Sanmei” / “Supplier”). Management has reassessed the contingent liability related to this claim and, as per Ind AS 37 Provisions, Contingent Liabilities, and Contingent Assets, has recognized a provision for disputed trade payables. This provision reflects the probable outflow of resources required to settle this liability, based on the best available information.

We draw attention to note no. 35 of Annexure VI to the restated financial statements, which describe the acquisition of Stallion Enterprise by the Company pursuant to a slump sale agreement effective September 30, 2023. Following the acquisition, all transactions carried out under Stallion Enterprise from October 1, 2023, to September 30, 2024, were integrated into the Company's financials as part of the consolidated business.”

We cannot assure you that our Statutory Auditors’ reports for any future financial period will not contain similar matters or other remarks, observations or other matters prescribed under Companies (Auditor’s Report) Order 2020, and that such matters will not otherwise affect our results of operations.

12) We operate in a competitive business environment. A competitive market, pricing pressures from competitors, including efficiency improvements, may affect business growth, financial health, and profitability of our Company.

We face competition from both current and potential competitors, including new entrants in India, who may offer comparable products at lower prices. Competitors may possess superior financial, R&D, formulations, marketing and distribution capabilities.

Following are the highlights of qualitative and quantitative comparison with peer companies which will provide an insight with the performance of our Company in terms of our peer / competitors:

Quantitative Factors:

Fiscal	Stallion India Fluorochemicals Limited	SRF Ltd.	Gujarat Fluorochemicals Ltd.	Navin Fluorine International Ltd.
Total Revenue (₹ in lakhs)				
2022	18,634.07	1,008,875.00	397,592.88	144,108.00
2023	22,606.35	1,217,990.00	580,304.88	166,914.00
2024	23,622.63	1,090,609.00	408,807.00	148,820.00
EBITDA (₹ in lakhs)				
2022	3,300.88	266,872.00	129,416.34	39,289.00
2023	1,559.89	330,012.00	215,188.89	46,289.00
2024	2,684.96	250,933.00	94,610.00	35,501.00
PAT (₹ in lakhs)				
2022	2,110.97	150,701.00	77,414.29	26,643.00
2023	975.3	202,336.00	135,560.53	31,249.00
2024	1,478.83	137,403.00	41,875.00	23,517.00
EBITDA Margin (%)				
2022	17.71%	26.45%	32.55%	27.26%
2023	6.90%	26.45%	32.55%	27.26%
2024	11.30%	23.01%	23.14%	23.85%
PAT Margin (%)				
2022	11.33%	14.94%	19.47%	18.49%
2023	4.31%	16.61%	23.36%	18.72%
2024	6.26%	12.60%	10.24%	15.80%
Debt/Equity Ratio (times)				
2022	0.03	0.38	0.36	0.01
2023	0.26	0.34	0.26	0.01
2024	0.55	0.34	0.34	0.02
Current Ratio (Times)				
2022	2.19	1.35	1.26	5.39
2023	1.97	1.44	1.52	4.91
2024	2.19	1.23	1.37	3.68

Qualitative Factors:

Total Revenue: Our Size of total revenue is comparatively smaller than peers for respective financial years. Any change in product mix, pricing, marketing strategies, new product launch may impact the overall market and also impact our competitiveness.

EBITDA and PAT margin: Our EBITDA margin and PAT margin is also on lower side compared to peers for respective financial year. This is basically due to product mix and scale of business. Peers are dealing with Fluorochemicals, technical textile, packaging films, specialty chemicals, laminated fabrics etc. However, our business is based on refrigerants and non-refrigerant as a product.

Debt /Equity Ratio: Our Debt to Equity is comparatively high than peers compared to the scale of business any change in capital mix, interest rate may impact our financial performance.

Qualitative Factors:

1. The peer competitors has size advantage, most of the peer competitors are much larger than our company, and it may give them advantage of scale of business.
2. The competitors may have a better product portfolio, which may give them competitive advantage in the market.

Business Area Based on Fiscal 2024

Company	Fluorochemicals	Specialty Chemicals	Packaging Films	Technical Textile	Coated Fabrics	Laminated Fabrics
Stallion India Fluorochemicals Limited	✓	-	-	-	-	-
SRF Limited	✓	✓	✓	✓	✓	✓
Gujarat Fluorochemicals Limited	✓	✓	-	-	-	-
Navin Fluorine International Limited	✓	-	-	-	-	-

3. Our company is focused on domestic business, the competitor's geographical revenue spread may give advantage to them in times of any specific domestic demand fall.

4.

Revenue by Geography

Company	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Domestic	Export	Domestic	Export	Domestic	Export
Stallion India Fluorochemicals Limited	100%	Nil	100%	Nil	100%	Nil
SRF Limited	55%	45%	49%	51%	51%	49%
Gujarat Fluorochemicals Limited	43%	57%	41%	59%	52%	48%
Navin Fluorine International Limited	35%	65%	34%	66%	48%	52%

Data from the respective Companies Annual reports.

- 13) Our revenue from operations depends on one product i.e. "R-32". Any changes in the customer demand or a decline in the demand of the said product, or delays in the placement of orders by the customers, may affect our ability to grow or maintain our sales, earnings, and cash flow.

A significant portion of our revenue from operations are generated from one product i.e. "R-32". R-32 or Difluoromethane is used as refrigerant that has prominent heat transfer and pressure drop performance, both in condensation and vaporization. It has a 100-year global warming potential (GWP) of 675 times that of carbon dioxide, and an atmospheric lifetime of nearly 5 years. It is classified as A2L - slightly flammable by ASHRAE and has zero ozone depletion potential (ODP). It is currently used in residential and commercial air-conditioners in Japan, China, and India as a substitute for R-410A. It is also used for making lot of HFC and HFO blends including R-410a. During the period ended September 30, 2024 and Fiscals 2024, 2023 and 2022, our revenue from the sale of R-32 and other products are depicted below:

(₹. in lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
R-32	1851.12	7,539.23	11,568.91	8,671.18
% of Total Revenue from operation	13.15%	32.32%	51.30%	46.65%
Other Products	12,222.03	15,784.35	10,981.53	9,917.09
% of Total Revenue from operation	86.85%	67.68%	48.705	53.35%
Total Revenue from operation	14073.15	23,323.58	22,550.44	18,588.27

We do not manufacture R-32 in our facility. This gas is sourced from our suppliers and is debulked, branded and sold from our facilities. Factors affecting the sale of R-32, could have a cascading adverse effect on our business, financial condition and results of operations. Such factors include, but are not limited to, the following:

- economic conditions of the markets in which our customers operate;
- downturns or industry cycles that impact demand;
- slowdown in our end-use industries i.e. air conditioners;
- Replacement of R-32 with alternative gas in near future;

We expect to continue to derive most of our revenue from operations from sale of the said product. Any changes in the customer policy or decline in the demand for R-32, could have an adverse impact on our sales, earnings and cash flows.

14) We currently propose to establish a new facility in Mambattu, Andhra Pradesh and expand our existing plant in Khalapur, Maharashtra. Any delays in new facilities setup, due to unforeseen events, may lead to cost overruns and implementation delays, impacting our business growth.

We're expanding our presence by building a new plant in Mambattu, Andhra Pradesh, to serve the southern region, alongside existing facilities in Khalapur (Maharashtra), Panvel (Maharashtra), Ghiloth (Rajasthan) and Manesar (Haryana). For the said plant in Mambattu, Andhra Pradesh, we have acquired the land from Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) pursuant to agreement dated June 27, 2024 for setting up unit for our Refrigerant debulking & blending facility. Additionally, we plan to set up a Semiconductor & Specialty Gas facility in Khalapur, Maharashtra on the land which is already leased from the Promoter i.e. Shazad Sheriar Rustomji. However, lease renewal uncertainties from Promoter may require finding new premises which may not be procured in timely manner and less favorable terms and conditions.

Estimated costs for both facilities are ₹2,117.53 lakhs and ₹2,915.54 lakhs, respectively, with potential for higher costs due to delays or unforeseen circumstances or operational risks like logistics, workforce, and profitability uncertainties.

In case, if the new facilities does not achieve profitability or fail to contribute to an increase in our revenue, it may become necessary to allocate further financial resources. This additional expenditure could, in turn, affect our overall growth and financial condition. For further details, kindly refer Objects of the Offer on page 85.”

Further, In relation to the Proposed Facilities, we are required to obtain certain approvals from certain governmental or local authorities as mentioned below;

Khalapur, Maharashtra

Authority	Approval for	Stages at which approval is required	Status
Maharashtra Pollution Control Board (MPCB)	Consent to Establishment (CTE)	An application was made for adding the additional location i.e Gut no. 12 hissa no.1 to the current certificate on April 28, 2024.	Received on May 22, 2024
Directorate of Industrial Safety and Health, MIDC	Factory Act License	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Maharashtra Pollution Control Board (MPCB)	Consent to Operate (CTO)	Routine approval. Before the commissioning of the factory operations	Yet to be applied
License from Petroleum and Explosives Safety Organization	Storage of Compressed gases in Pressure Vessels	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Maharashtra Fire Services, Government of Maharashtra	Fire Safety to life and property	Routine approval. Before the commissioning of the factory operations	Yet to be applied

Mambattu, Andhra Pradesh

Authority	Approval for	Stages at which approval is required	Status
Andhra Pradesh Pollution Control Board (APPCB)	Consent to Establishment (CTE)	The land is located in Industrial Park developed by APIIC and is already pre-approved for the industrial Use for various industries.	Received on July 30, 2024
Department of Factories, Government of Andhra Pradesh	Factory Act License	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Andhra Pradesh Pollution Control Board (APPCB)	Consent to Operate (CTO)	Routine approval. Before the commissioning of the factory operations	Yet to be applied
License from Petroleum and Explosives Safety Organization	Storage of Compressed gases in Pressure Vessels	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Andhra Pradesh State Disaster Response and Fire Services Department	Fire Safety to life and property	Routine approval. Before the commissioning of the factory operations	Yet to be applied

15) We have not placed orders in relation to purchase of machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the machineries in a timely manner, or at all, the same may result in time and cost over-runs.

We intend to use a portion of the Net Proceeds towards funding capital expenditure of our Company. For details, see “Objects of the Offer” on page 85. As of the date of this Red Herring Prospectus, our Company has not placed orders for plant and machinery of value of ₹615.79 lakhs and ₹1,593.70 lakhs for facilities to be set up in Mambattu, Andhra Pradesh and Khalapur, Maharashtra, respectively constituting 100% of the value of the total machinery to be purchased from the Net Proceeds. For details regarding such plant and machinery, refer “Objects of the Offer” on page 85.

While we have procured quotations from vendors in relation to the capital expenditure to support our expanding operations, we have not placed any firm orders for any of them. Such quotations are valid as on date of this Red Herring Prospectus and may be subject to revisions, and other commercial and technical factors. We cannot assure that we will be able to undertake such capital expenditure at the costs indicated by such quotations or that there will not be cost escalations over and above the contingencies proposed to be funded out of the Net Proceeds. Further, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological changes. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment and services in a timely manner, or at all, we may encounter time and cost overruns.

Further, if we are unable to procure equipment and ancillary items or avail services from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the similar kind of plant and machinery, equipment and ancillary items and services, which satisfy our requirements at acceptable prices. Alternatively, if we in future get better quotes from the alternate vendors then we may buy from such alternate vendors. Our inability to procure the machinery and equipment and services at acceptable prices or in a timely manner, may result in an increase in capital expenditure, extension or variation in the proposed schedule of implementation and deployment of the Net Proceeds, thereby resulting in an adverse effect on our business, prospects and results of operations.

16) We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties, which include loans, advances and guarantees given by our Company. For details, see “Financial Information – Related Party Disclosure pursuant to IND AS-24” on page 205. The details of RPT are as follows:

(Rs. in lakhs)

Particulars	Shazad Rustomji	Geetu Yadav	Manisha Rustomji	Rohan Rustomji	Ashish Mehta	Prachi Walawalkar	Sarita Khamwani	Stallion Enterprises
Relationship with Company	Managing Director	Director	Director	Director	Chief Financial Officer	Company Secretary*	Company Secretary^	Sole Proprietorship of Shazad Rustomji
Sale of Goods								
September 30, 2024	-	-	-	-	-	-	-	-
% of total sales	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	1,092.96
% of total sales	-	-	-	-	-	-	-	14.86%
March 31, 2023	-	-	-	-	-	-	-	1,488.59
% of total sales	-	-	-	-	-	-	-	6.30%
March 31, 2022	-	-	-	-	-	-	-	3,850.87
% of total sales	-	-	-	-	-	-	-	16.37%
Purchase of Goods								
September 30, 2024	-	-	-	-	-	-	-	-
% of total purchase	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	292.02
% of total purchase	-	-	-	-	-	-	-	1.47%
March 31, 2023	-	-	-	-	-	-	-	1,701.21
% of total purchase	-	-	-	-	-	-	-	9.04%
March 31, 2022	-	-	-	-	-	-	-	1,426.42
% of total purchase	-	-	-	-	-	-	-	9.51%
Rent Paid								
September 30, 2024	60.00	-	-	-	-	-	-	-
March 31, 2024	74.20	-	-	-	-	-	-	6.00
March 31, 2023	-	-	-	-	-	-	-	12.00
March 31, 2022	-	-	-	-	-	-	-	12.00
Remunerations								
September 30, 2024	12.00	15.00	6.00	2.70	6.00	-	3.12	-
March 31, 2024	24.00	30.00	12.00	5.30	6.00	0.90	3.26	-
March 31, 2023	24.00	30.00	12.00	4.80	-	1.80	-	-
March 31, 2022	24.00	19.20	12.00	2.00	-	1.80	-	-
Outstanding Balances								
<i>Trade Payables</i>								
September 30, 2024	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	1,254.69
March 31, 2022	-	-	-	-	-	-	-	1,714.53
Loan from Directors								
September 30, 2024	979.64	-	-	-	-	-	-	-
March 31, 2024	1488.98	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-

*Resigned on October 16, 2023

^Appointed on October 16, 2023

However, no loans/advances are given by issuer to related parties and guarantees given/securities provided to related parties in the last 3 Fiscal Years, we cannot assure that the same cannot happen in future.

Further, we cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered in past are legitimate business transactions and were conducted on an arm's length basis and company is complying with Companies act, 2013 and other applicable laws, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions. All of our related party transactions of our Company shall be conducted in compliance with the applicable accounting standards, provisions of

Companies Act, 2013, as amended, provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable law as applicable. However, we cannot assure you that in the future related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects, including as a result of potential conflicts of interest or otherwise. For more information regarding our related party transactions, see “Financial Information – Related Party Disclosure pursuant to IND AS-24” on page 205.

17) Our top 10 and top 2 suppliers contribute majority of our purchase during the period ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022. Any delay in or shortage from one or more of them may adversely affect our operations.

Our top 10 suppliers contributed 65.99%, 50.62%, 61.67% and 68.12% of our purchase during the period ended September 30, 2024 and for fiscal 2024, fiscal 2023 & fiscal 2022 respectively, whereas, our top two suppliers contribute 30.51%, 28.56%, 30.32% and 31.74% of our purchase for the period ended September 30, 2024 and for fiscals 2024, 2023 & 2022 respectively.

In the event if any of our supplier shows its inability to provide us the specific raw material that we require for our blending process and even if we may be able to procure such raw material from other suppliers, there is no guarantee that we will be able to do so at the same price or within our delivery timelines. Our reliance on a select group of suppliers may also constrain our ability to negotiate our arrangements, which may have an impact on our ability to procure an uninterrupted supply of raw material, which in turn may affect our profit margins and financial performance. We may also be required to replace a supplier if its products or services do not meet our safety, quality or performance standards. Further, any disruption of supply of raw materials from these suppliers could disrupt our operations, which could have a material adverse effect on our reputation, business, financial condition and results of operations.

18) The Company has entered into distributorship agreement with Honeywell International Inc. for supply of its HFC refrigerant gases including R-410a, R404a, R134a and also the next generation HFO's like R1234yf. If for reason beyond our control Honeywell terminates the agreement we may face an adverse effect on our business prospects, financial condition, results of ongoing operations and reputation

Honeywell stands as one of the leading manufacturers in the production of fluorochemicals and refrigerants, boasting a robust portfolio that includes proprietary next-generation refrigerants currently protected by patents.

The company is the distributor of Honeywell International Inc. (Honeywell), since 2006. The distributorship agreement is neither commission-based nor based on revenue-sharing mechanism and is entered and renewed on periodic basis between the parties. The exiting agreement was entered on January 01, 2023 and is set to expire on December 31, 2025, and parties agree to meet by October 1, 2025 to discuss potential extension of the Agreement. The agreement stipulates certain terms & conditions such as, company must procure at least 80% of its Aftermarket Product (Aftermarket Products is defined as product that the company resells to non-original manufacturer (OEM+OES) entities) requirements from Honeywell. Furthermore, the company must procure 100% of its OEM and OES requirements from Honeywell for the six specified customers as outlined in the agreement. The company must also purchase additional volumes as needed, contingent upon receiving orders from such six customers

Our company has held the exclusive role of distributor for Honeywell's HFC refrigerant gases, encompassing pivotal variants such as R-410a, R404a, R134a, and next generation HFOs like R1234yf. This long-standing distributorship agreement has been instrumental in establishing our market presence and aligning our offerings with evolving industry standards.

However, it is imperative to acknowledge that unforeseen circumstances could potentially lead to the termination of our agreement with Honeywell. In the event of such an occurrence, we must be cognizant of the potential adverse impacts on our business prospects and growth with regards to the HFO business.

19) We have high working capital requirements. Our inability to meet our working capital requirements may have a material adverse effect on our business, financial condition and results of operations.

Our business requires significant working capital including in connection with our processing operations, financing our inventory and purchase of raw materials and our development of new products which may be adversely affected by changes in terms of credit and payment.

We are required to maintain a high level of working capital because our business activities are characterised by long product development periods and production cycles. Below is the details of our working capital requirement and source of funding as at period ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 & Fiscal 2022;

(₹ in lakhs)				
Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Working Capital Requirement	17,516.78	14,894.05	5,664.62	4,356.25
Source of Funding				
Internal Accruals	5,821.47	4,827.52	298.25	20.44
Borrowing	11,695.31	10,066.53	5,366.37	4,335.81

Delays in payment under on-going contracts or reduction of advance payments due to lower order intake or inventory and work in progress increases and/or accelerated payments to suppliers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded through external debt financings.

We may face challenges in adequately financing our working capital needs due to various factors such as delays in financing disbursements, rising interest rates, or borrowing restrictions. These factors could lead to increased receivables and short-term borrowings, potentially impacting our financial health. Additionally, unforeseen expenses or regulatory changes could affect our future capital requirements, potentially leading to increased debt obligations and limitations on accessing cash flows. This could significantly impact our profitability and financial flexibility

20) Activities involving our blending process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our blending Unit may adversely affect our production schedules, costs, sales and ability to meet customer demand.

Our business operations are subject to hazards such as risk of equipment failure, work accidents, fire or explosion and require individuals to work under potentially dangerous circumstances or with flammable materials. Although we employ safety procedures in the operation of our blending Unit and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our Unit, while in the past there have been no such instance, however, an accident may result in destruction of property or equipment, environmental damage, delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Further Refrigerant gases are potent greenhouse gases with much higher global warming potentials (GWPs) than carbon dioxide. Despite their small quantities, they have a disproportionate impact on global warming due to their effectiveness in trapping heat and their long atmospheric lifetimes, lasting for years to decades. Their release not only directly contributes to global warming but also sets off feedback loops that can worsen climate change. Regulatory efforts, like the Montreal Protocol, have successfully phased out ozone-depleting CFCs but introduced HFCs, which pose new challenges due to their climate impact. For further details, please refer “Our Business-Environmental Impact and consideration” on page 142 of Red Herring Prospectus.

Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects. In particular, if operations at our units were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be

adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products.

21) There are outstanding legal proceedings involving our Company, our Promoters and our Directors. Failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, results of ongoing operations and reputation.

Our Company and our Promoter/Director are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, our Promoters/Director as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on October 16, 2023.

Name of Entity	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations #	Material – Criminal Litigations	Aggregate amount involved* (₹ in lakhs)
Company						
By our Company	Nil	Nil	NA	Nil	Nil	Nil
Against our Company	2	Nil	NA	2	Nil	69.58
Promoters (excluding cases against our Directors who are also our Promoters)						
By our Promoters	Nil	Nil	NA	3	Nil	Nil
Against our Promoters	4	Nil	Nil	1	Nil	46.12
Promoter Group						
By our Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil
Directors (excluding cases of Directors who does not falls under Promoter Group)						
By our Directors	Nil	Nil	Nil	Nil	Nil	NA
Against our Directors	2	Nil	Nil	Nil	Nil	7.36
Subsidiaries[^]						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA

* Aggregate amount involved is with respect to Outstanding Tax Demands

There can be no assurance that these litigations will be decided in favor of our Company, our Promoter/Director and consequently it may divert the attention of our management and Promoter and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. As on the date of this Red Herring Prospectus, our Company has not created any provisions related to the above litigations filed against the Company.

If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of such outstanding litigations, please refer the chapter titled “Outstanding Litigations and Material Developments” on Page No. 298.

22) The industry in which we operate are subject to certain uncertainties including environmental, regulatory and economic factors which can have adverse effect on our business.

In the fluorochemicals and specialty gas industry, the introduction of new chemicals and substitutes poses significant risks. These substances, whether intentionally created alternatives or unintentional byproducts, could have unknown health and environmental effects. This requires thorough testing to ensure safety. Additionally, stricter regulations may lead to increased compliance costs and operational changes.

Furthermore, the emergence of substitutes could disrupt the market, reducing demand for traditional chemicals. Companies heavily invested in these chemicals may face lower revenues and market share if they don't adapt. This may require investments in research and development or changes to manufacturing processes.

Additionally, adopting substitutes may require costly modifications to facilities, leading to operational disruptions. Companies need to carefully assess the feasibility of transitioning while maintaining product quality. The emergence of new chemicals and substitutes presents various risks for companies in this industry

23) The irreversible blending process of HCFCs, HFCs, and HFOs gases poses a risk due to the inability to separate or reverse the blended components.

The blending process of HCFCs (Hydro chlorofluorocarbons), HFCs (Hydrofluorocarbons) and HFOs (Hydrofluoroolefins) gases is an irreversible procedure. Once these gases are blended, the original components cannot be separated or reversed to their individual states. This characteristic of irreversibility in the blending process poses a risk, as any errors or deviations in the blending procedure may result in the production of a final product that cannot be rectified or decomposed into its constituent gases. While, there have been no such instance in the past, however, such irreversible blending risks potential quality control issues, and any deviations from the intended blending ratios could have adverse effects on the performance and properties of the final blended gases. This poses a challenge in maintaining product quality and consistency, and any errors in the blending process may have implications for customer satisfaction. This could lead to loss of raw materials, time consumption & loss of other resources involved which could affect profitability of the business.

24) Our Promoter and Promoter Group will be able to exercise significant influence and control over our Company after the Offer and may have interests that are different from those of our other shareholders.

As of the date of this Draft Red Herring Prospectus, our Promoters i.e Shazad Sheriar Rustomji, Manisha Shazad Rustomji and Rohan Shazad Rustomji directly holds 94.63% of our pre-issue paid-up share capital. Furthermore, after the completion of this Offer the Post issue shareholding of our Promoters will be 67.90%, our Promoters will control, directly or indirectly, a substantial portion of our outstanding Equity Shares. As a result, our Promoters will continue exercise to significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple voting. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters will act in our interest, or in the interests of minority shareholders.

For further details, refer "Capital Structure" on pages no. 75.

25) Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our Company's earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act 2013.

Our Company has not paid any dividend in the past 3 years. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future.

26) Any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.

In the normal course of our business operations, we extend credit facilities to our customers, introducing an inherent risk associated with the uncertainty of receiving outstanding amounts. As at period ended September 30, 2024, our trade receivables amounted to Rs. 7,634.41 lakhs. The robustness of our results of operations and overall profitability is intricately linked to the creditworthiness of our clientele.

It is imperative to note that certain customers may possess weak credit histories, introducing an element of uncertainty regarding their ability to fulfill payment obligations in a timely manner or at all. The viability of our operations is significantly influenced by the financial stability of our customers, and any adverse changes in their financial condition may impede their capacity to meet payment commitments to us. While in the past there have been no such instance, however, the occurrence of defaults or delays in payments, particularly by a substantial portion of our customer base, has the potential to exert adverse effects on our cash flows, results of operations, and overall financial condition. This underscores the critical importance of diligent credit risk management practices to mitigate potential impacts on our financial performance.

27) We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business, and if we fail to do so in a timely manner or at all, we may be unable to fully or partially operate our business and our results of operations may be adversely affected.

Our operations are subject to government regulation and we are required to obtain and maintain several statutory and regulatory permits and approvals under central, state and local government rules for operating our business for each of our manufacturing facilities. We are also required to obtain environmental clearances for the blending and debulking of refrigerant gases.

While in the past there have been no such instance of delayed renewal, however, some of the approvals have been applied for and are pending for approval with the authority, For details of pending approvals, see heading “Material approvals applied for and pending in relation to the business operations of our Company” under chapter “Government and Other Approvals” on page 307. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all.

The approvals required by us are subject to certain conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could materially and adversely affect our business.

28) Any adverse change in regulatory requirements governing our products and the products of our customers, may adversely impact our business, prospects, results of operations and financial condition.

As on the date the company possesses the requisite approvals/licenses/consents governing the products, for further details kindly refer to the chapter titled “Government and Other Approvals” on page 307. However, the regulatory landscape governing our products is susceptible to alterations, and any unfavorable changes in laws pertaining to the processing and usage of our products by customers may pose challenges to our operations.

This includes the potential introduction of licensing requirements, modifications to technical standards and specifications, or the imposition of burdensome obligations. Such regulatory shifts could have adverse implications for our processing and distribution processes, necessitating adjustments in our target markets

and incurring capital expenditure to ensure compliance with new regulatory requirements applicable to our operations. It cannot be guaranteed that we will seamlessly adhere to these changes or any additional regulatory requirements that may arise.

Non-compliance with emerging statutory or regulatory mandates may lead to delays in the submission or approval process for our products. These could have a detrimental impact on our business, prospects, results of operations, and financial condition. Diligent attention to regulatory compliance is paramount to mitigate such risks and ensure the sustained success of our operations.

29) We are dependent on third parties for the transportation and timely delivery of our products to customers. Any failure by or loss of a third party transport service provider could result in delays and increased costs, which may adversely affect our business.

We rely on third parties for the transportation services for the timely delivery of our products to our customers. The following table sets forth the transportation cost and freight and handling charges incurred as a percentage of our total expenses and revenue from operations in the years/ periods indicated:

Particulars	for period ended September 30, 2024		
	(₹ in lakhs)	% of Total expense	% of Revenue from Operation
Freight and Handling charges	439.80	3.69%	3.13

Particulars	Fiscal 2024			Fiscal 2023			Fiscal 2022		
	(₹ in lakhs)	% of Total expense	% of Revenue from Operation	(₹ in lakhs)	% of Total expense	% of Revenue from Operation	(₹ in lakhs)	% of Total expense	% of Revenue from Operation
Freight and Handling charges	1,003.90	4.67%	4.30	946.79	4.44	4.20	923.71	5.91	4.97

In the event that these third party logistic service providers are unable to provide services for our operations for reasons which are beyond our control and we are unable to secure alternate transport arrangements in a timely manner and at an acceptable cost, or at all, our business, cash flows, financial condition, results of operations and reputation may be adversely affected.

30) Our Company, in the past, has delayed in the payment of statutory dues

Our Company have at times in the past delayed in the payment of statutory dues such as provident fund, goods and service tax to relevant authorities. These delays were due to administrative and technical issues on the Portal during these periods. Following is the list of delay in payment/filing of statutory return/dues:

PROVIDENT FUND

Sr. No.	Financial Year	Tax Period	Due Date	Date of payment	Delay Days	No. of Employees	Amount involved (₹ in Lakhs)
1.	2020-21	April	15/05/2020	15/06/2020	31	6	₹0.07
2.	2020-21	July	15/08/2020	17/08/2020	2	6	₹0.14
3.	2021-22	May	15/06/2021	18/06/2021	3	9	₹0.30
4.	2021-22	September	15/10/2021	18/10/2021	3	10	₹0.19
5.	2021-22	November	15/12/2021	22/12/2021	7	10	₹0.34
6.	2021-22	March	15/04/2022	12/05/2022	27	8	₹0.28
7.	2022-23	July	15/08/2022	18/08/2022	3	8	₹0.29
8.	2022-23	October	15/11/2022	17/11/2022	2	7	₹0.24
9.	2022-23	November	15/12/2022	17/02/2023	64	6	₹0.21
10.	2022-23	December	15/01/2023	17/02/2023	33	6	₹0.21
11.	2022-23	January	15/02/2023	17/02/2023	2	6	₹0.22
12.	2022-23	March	15/04/2023	21/04/2023	6	7	₹0.24

13.	2023-24	February	15/03/2024	16/03/2024	1	5	₹0.16
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TDS	Due date of payment	Date of payment	Amount (₹ in lakhs)
Fiscal 2024			
TDS	07-05-2023	31-08-2023	0.14
Fiscal 2023			
TDS	07-07-2022	11-07-2022	1.48
TDS	07-08-2022	08-08-2022	1.91
TDS	07-09-2022	08-09-2022	2.13
TDS	07-07-2022	08-08-2022	0.06
TDS	07-06-2022	08-08-2022	0.09
Fiscal 2022			
TDS	07-09-2021	08-09-2021	2.19
TDS	07-09-2021	13-09-2021	0.01
TDS	07-10-2021	15-03-2022	0.02
TDS	07-11-2021	17-11-2021	1.98
TDS	07-01-2022	31-01-2022	0.10
TDS	07-04-2022	28-04-2022	2.62

GOODS AND SERVICE TAX

Haryana- GSTIN: 06AAGCS6142L1Z4

GSTR-1

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay days
1.	2020-2021	April	5/11/2020	6/23/2020	43
2.	2020-2021	May	6/11/2020	7/27/2020	46
3.	2020-2021	June	7/11/2020	7/28/2020	17
4.	2020-2021	July	8/11/2020	8/29/2020	18
5.	2021-2022	May	6/11/2021	6/19/2021	8

GSTR 3B

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay days
1.	2020-2021	April	5/20/2020	7/27/2020	68
2.	2020-2021	May	6/20/2020	7/28/2020	38
3.	2020-2021	June	7/20/2020	7/28/2020	8
4.	2020-2021	July	8/20/2020	9/12/2020	23
5.	2020-2021	December	1/20/2021	2/20/2021	31
6.	2020-2021	February	3/20/2021	4/20/2021	31
7.	2021-2022	April	5/20/2021	6/4/2021	15
8.	2022-2023	April	5/20/2022	5/23/2022	3

GSTR-9

Sr. No.	Financial Year	Due Date	Date of Filing	Delay Days
1.	2020- 2021	12/31/2021	2/28/2022	59

GSTR 9C

Sr. No.	Financial Year	Due Date	Date of Filing	Delay days
1.	2020- 2021	12/31/2021	2/28/2022	59

A. Maharashtra- GSTIN: 27AAGCS6142L1Z0**GSTR-1**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay days
1.	2020-2021	April	5/11/2020	7/21/2020	71
2.	2020-2021	May	6/11/2020	7/22/2020	41
3.	2020-2021	June	7/11/2020	7/22/2020	11
4.	2020-2021	July	8/11/2020	9/4/2020	24
5.	2021-2022	April	5/11/2021	5/25/2021	14
6.	2021-2022	May	6/11/2021	6/19/2021	8

GSTR-3B

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1.	2020-2021	April	5/20/2020	7/23/2020	64
2.	2020-2021	May	6/20/2020	7/23/2020	33
3.	2020-2021	June	7/20/2020	7/27/2020	7
4.	2020-2021	July	8/20/2020	9/12/2020	23
5.	2021-2022	April	5/20/2021	6/4/2021	15
6.	2022-2023	April	5/20/2022	5/24/2022	4

GSTR-9

Sr. No.	Financial Year	Due Date	Date of Filing	Delay Days
1	2020-2021	12/31/2021	3/1/2022	60

GSTR 9C

Sr. No.	Financial Year	Due Date	Date of Filing	Delay Days
1	2020-2021	12/31/2021	3/1/2022	60

Rajasthan- GSTIN: 08AAGCS6142L1Z0**GSTR-1**

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1.	2020-2021	April	5/11/2020	6/23/2020	43
2.	2020-2021	May	6/11/2020	7/16/2020	35
3.	2020-2021	June	7/11/2020	7/16/2020	5
4.	2020-2021	July	8/11/2020	8/29/2020	18
5.	2021-2022	May	6/11/2021	6/19/2021	8

GSTR-3B

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1.	2020-2021	April	5/20/2020	7/28/2020	69
2.	2020-2021	May	6/20/2020	7/28/2020	38
3.	2020-2021	June	7/20/2020	7/28/2020	8
4.	2020-2021	July	8/20/2020	9/11/2020	22
5.	2020-2021	September	10/20/2020	11/4/2020	15
6.	2021-2022	April	5/20/2021	6/4/2021	15
7.	2022-2023	April	5/20/2022	5/23/2022	3

GSTR 9

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2020- 2021	Annual	12/31/2021	2/28/2022	59

GSTR 9C

Sr. No.	Financial Year	Tax Period	Due Date	Date of Filing	Delay Days
1	2020- 2021	Annual	12/31/2021	2/28/2022	59

While our Company has paid the interest, as applicable on delays in payment of statutory dues, we cannot assure you there will be no delays in payment of statutory dues by our Company. While no actions have been initiated against our Company in relation to the abovementioned non-compliances or delays in the past, our Company cannot assure that any regulatory or statutory actions will not be initiated against our Company in relation to the said non-compliance in the future. Further, our Company cannot assure you that it will be able to adhere to all the necessary compliances, in a timely manner or at all, under various labour law legislations in the future. In case any regulatory actions are initiated against the company, we may face issues in the brand image & profitability of our company.

31) We encounter numerous threats and weakness that can impact our operations and profitability in the industry we operate.

With respect to our business, we encounter numerous risks that can impact our operations and profitability. Regulatory changes, particularly those related to environmental and safety standards, pose a threat if we don't adapt effectively. The intense competition within our market can lead to price wars, putting pressure on our profit margins in a crowded marketplace. Additionally, the advent of substitute products and new technologies threatens the relevance of our traditional offerings, necessitating continuous innovation and adaptation.

Geopolitical risks, such as political instability and trade disputes, add another layer of complexity by potentially disrupting our global supply chain, which is crucial for our operational continuity. Moreover, we face technological vulnerabilities, supply chain complexities, and the challenge of managing fluctuating raw material prices and market volatility, all of which contribute to our industry's risk landscape. For further details, please see "Our Industry-SWOT Analysis" on page 130 of DRHP.

To navigate these challenges successfully, we must accurately assess each factor, leveraging our strengths, addressing weaknesses, seizing opportunities, and effectively mitigating threats. This proactive approach is essential for maintaining our competitiveness and sustainability in an increasingly dynamic global market.

32) Our inability to accurately forecast demand for our products or manage our inventory may have an adverse effect on our business, results of operations and financial condition.

We believe that efficient inventory management is a key component of the success of our business, results of operations and profitability. We maintain a reasonable level of inventory of raw materials, work in progress and finished goods at our Facilities. We forecast the demand and price for our products and accordingly, plan our production volumes. While there have been no such instance in the past, however, any error in our forecast demand for our products, could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all.

Similarly, if we underestimate demand, we may manufacture fewer quantities of products than required which could result in the loss of business. We may fail to maintain the requisite inventory, which may adversely impact our ability to deliver products to customers in a timely manner which may lead to loss of revenues or customers.

Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

33) The proposed Initial Public Offer includes Fresh Issue and Offer for Sale by the Promoter. The proceeds from the Offer for Sale component of the Offer shall be received directly by the Promoter Selling Shareholder.

The Offer includes a Fresh Issue of 1,78,58,740 Equity Shares of ₹10.00 each and an Offer for Sale (OFS) of 43,02,656 Equity Shares of face value of ₹10 each by the Promoter Selling Shareholder of our Company i.e. Shazad Sheriar Rustomji. The Equity Shares of face value of ₹10.00 each offered in OFS is 0.25 times of Fresh issue.

The following is the details of acquisition of Equity Shares of face value of ₹10.00 each by the Promoter Selling Shareholder

Name of the Selling Shareholder	Category	Pre-Issue Shareholding	No. of Equity Shares offered in OFS	Post-Issue Shareholding	Weighted Average Cost of Acquisition (₹)
Shazad Sheriar Rustomji	Promoter	5,81,45,864	43,02,656	5,38,43,208	6.79

The Promoter Selling Shareholder is, therefore, interested in the Offer Proceeds to the extent of the Equity Shares offered by him in the Offer for Sale. The entire proceeds (net of offer expenses) from the Offer for Sale will be paid to the Promoter Selling Shareholder in proportion to his portion of the Offered Shares transferred pursuant to the Offer for Sale and our Company will not receive any such proceeds from the offer for sale component. Also, the Company will deploy only those funds for the stated objects which will be received from the Fresh Issue. Further, except for listing fees of the Offer, which will be borne by our Company, all cost, fees and expenses (including all applicable taxes) in respect of the Offer will be shared amongst our Company and the Promoter Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Promoter Selling Shareholder in the Offer for Sale, upon successful completion of the Offer. For further details, refer “Capital Structure” and “Objects of the Offer” on pages 74 and 84 respectively of this Red Herring Prospectus,

34) We do not own the premises in where our registered office and facilities are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.

Our registered office situated at 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - West, Mumbai-400064, Maharashtra is taken on lease for lease amount of ₹2,50,000/- per month from the Promoter i.e. Shazad Sheriar Rustomji for the period of 24 months commencing from April 01, 2023 and also the facilities as mentioned below are not owned by the Company and following are the details:

Sr. No	Location of the Property*	Status	Lease Amount	Years of lease	Nature
1.	Gat no.11, Hissa no 19 & 20 and Gat No. 12 Hissa No. 1, Lohop Village, Taluka-Khalapur, District Raigad - 410207, Maharashtra ⁽¹⁾	Taken on lease from Shazad Sheriar Rustomji	₹2,50,000 p.m.	Lease for a period of 24 months commencing from October 01, 2023	Plant
2.	Inside Paras Warehousing Corporation, Kolkhe Village, Palaspa Phatta, Panvel, District - Raigad - 410221, Maharashtra ⁽²⁾	Taken on lease from Shazad Sheriar Rustomji	₹2,50,000 p.m.	Lease for a period of 24 months commencing from January 01, 2024.	
3.	Plot E-80, General Zone, RIICO Industrial Area, Ghiloth, District Alwar - 301706, Rajasthan	Taken on lease from Rajasthan State Industrial Development & Investment	₹2,28,93,390/- (one time economic rent)	Lease for a period of 99 years commencing from August 03, 2018	

		Corporation Limited		
4.	Plot 65, Sector 6, IMT-Manesar, HSIDC, Manesar, Gurugram -122050, Haryana ⁽³⁾	Taken on lease from Shazad Sheriar Rustomji	₹2,50,000 p.m.	Lease for a period of 24 months commencing on October 07, 2023.

⁽¹⁾ The property was acquired by Shazad Sheriar Rustomji on February 10, 2012

⁽²⁾ The property was acquired by Shazad Sheriar Rustomji on June 19, 2000

⁽³⁾ The property was acquired by Shazad Sheriar Rustomji on February 11, 2015

*All the facilities are on a Non-Agricultural land.

Before formal lease agreements were established, the Company occupied properties based on a No-Objection letter issued by Shazad Sheriar Rustomji. Thereafter, to formalize these arrangements, proper lease agreements were executed and the same was approved by the Board of Directors vide resolutions dated December 23, 2023, for the Khalapur and Panvel properties, and January 31, 2024, for the Manesar property. As stated in the above table these lease agreements were executed after fiscal 2023 and therefore the payment of lease is not reflected in the Note 'Related Party Transaction' in Financial Statements for the period Fiscal 2022 and Fiscal 2023.

There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate the said premises where operational activities are carried out. In such a situation, we have to identify and take alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions to shift our registered office and operations. Such a situation could result in time overruns and may adversely affect our operations temporarily. The uncertainty surrounding the renewal process poses a potential threat to our business continuity and operational stability.

35) Any inability on our part to manage our growth or implement our strategies effectively could have a material adverse effect on our business, results of operations and financial condition.

We cannot provide assurance regarding the continued success of our growth strategy or the seamless expansion of our operations. Our growth initiatives are inherently subject to risks and challenges, many of which are beyond our control. Consequently, there is no guarantee that we will be able to execute our growth plans within the designated budgeted cost and timelines.

Our current intentions include, among other things, expanding debulking/blending capacity, optimizing product offerings and developing our Specialty Gases business. Refer to "Our Business- Our Strategies" on page 144 for detailed insights into such strategies. The expansion of operations poses challenges in accurately assessing required resources, acquiring new customers, and maintaining contributions from existing customers, procuring raw materials and recruiting, training, and retaining skilled personnel. Maintaining high levels of customer satisfaction and adhering to performance and quality standards further compound these challenges.


Given the dynamic nature of market conditions, industry dynamics, regulatory changes, our growth strategies and plans may undergo substantial modifications, potentially including the restriction or forsaking of growth opportunities. As we progress, additional challenges related to supply chain, internal processes, financing capabilities and regulatory compliance may arise. Our existing operations, personnel, systems, and internal controls may prove inadequate to support our growth, necessitating unforeseen investments in infrastructure. Effectively managing our growth requires enhancements to administrative, operational, and financial systems, procedures, controls, and the expansion, training, and management of our employee base.

Any failure on our part to effectively manage growth or implement strategies could have a material adverse effect on our business, results of operations and financial condition. If the benefits realized fall short of estimates, or if the implementation of growth initiatives, strategies, and operating plans adversely affects operations, incurs higher costs, or takes longer than anticipated, our results of operations may be materially adversely affected.

36) Our growth will depend on our ability to build our brand and failure to do so will negatively impact our ability to effectively compete in this industry.

We believe that we need to continue to build our brand, “STALLION”, which will be critical for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. The brand promotion activities that we may undertake may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

37) Dependency on promoter owned Trademark. The logo we use is not registered in the name of Company.

The ownership of the trademark  crucial to our brand identity lies with our Promoter, Shazad Sheriar Rustomji. While we have entered into Agreement with the Promoter i.e. Shazad Sheriar Rustomji dated February 07, 2024, for a period starting from February 01, 2024 till January 31, 2026 for the usage of the trademark permitting the utilization of the trademark for commercial purposes and no consideration towards royalty will be charged by the Promoter during the said period. However, any potential dispute, termination of the agreement may have adverse effects on our brand recognition and marketing efforts, impacting our business operations and reputation. For further details, refer chapter “Our Business” on page 144.

38) We are subject to safety, health, environmental, labor, workplace and related laws and regulations and any failure to comply with any current or future laws or regulations could have a material adverse effect on our business, financial condition and results of operations.

We are subject to an extensive array of safety, health, environmental, labor, workplace, and related laws and regulations in the jurisdictions where we operate. These regulations govern various aspects of our operations, including the blending, disposing and storage of raw materials.

Given the inherent hazards at our facilities, our facilities entail potential risks for our employees and others due to blending processes. Consequently, we are subject to diverse health and safety laws and regulations addressing occupational health and safety. Unsafe work sites can lead to increased employee turnover and higher operating costs. Furthermore, accidents at our facilities may result in personal injury, loss of life, substantial damage to or destruction of property and equipment, potentially leading to the suspension of operations. Any of these scenarios could expose us to litigation, resulting in penalties, increased expenses, and potential harm to our reputation.

Moreover, governmental or regulatory bodies may mandate the shutdown of our facilities, leading to product shortages that hinder or prevent us from fulfilling our obligations to customers. Failure to maintain safe work sites or compliance violations may expose us to civil and criminal liabilities, negatively impacting our reputation and having a material adverse effect on our business, financial condition, and results of operations.

39) We are subject to stringent labour laws or other industry standards and any strike, work stoppage, Lock-out or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.

Activities at our facilities are labor-intensive. We are subject to a number of stringent labour laws that protect the interests of our workers, including legislation that stipulates rigorous procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers. While we have not experienced significant labour unrest in the past, strikes, lock-outs and other labour action but such may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations.

Further, the number of workers as of September 30, 2024 in each of the plant is as mentioned below;

Location	Skilled	Semi-Skilled	Unskilled	Total
Khalapur	10	7	4	21
Panvel	6	5	-	11
Ghiloth	4	-	-	4
Manesar	4	-	-	4

We cannot guarantee that we will not experience any strike, work stoppage, lock out or increased wage or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition.

40) We have issued Equity Shares during the last one year at a price that may be below the Issue Price.

During the last one year we have issued Equity Shares at a price that is lower than the Issue Price as detailed in the following table:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment
January 20, 2023	4,28,75,000	10.00	NA	Other than cash	Bonus Issue
September 30, 2023	63,41,514	10.00	51.20	Other than cash	Allotment pursuant to slump sale agreement

We have, in the preceding one year prior to the date of the Red Herring Prospectus, issued Equity Shares that may be lower than the Offer Price. For further details, see “Capital Structure” on page 75. The price at which such Equity Shares were issued is not indicative of the Offer Price, or the price at which the Equity Shares will be traded going forward. Further, we may, in the future, continue to issue Equity Shares at prices that may be lower than the Offer Price, subject to compliance with applicable law. Any issuances of Equity Shares by us may dilute your shareholding in our Company, thereby adversely affecting the trading price of the Equity Shares and our ability to raise capital through any issuance of new securities.

41) Our contingent liabilities could adversely affect our business financial condition.

The table below sets forth details of contingent liabilities as of period ended September 30, 2024 and for the last three Fiscals;

Particulars	(₹. in lakhs)			
	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Matters with Income Tax Authorities	56.25	56.25	56.25	-
Claims not acknowledged as debt*	-	1,043.25	-	-
Outstanding Bank Guarantees	129.43	112.16	0.66	3.32
Bill discounting facility				
- Sanctioned	380.00	-	-	-
- Utilised	78.85	-	-	-
Total	644.44	1,211.66	56.91	3.32

#Contingent liabilities include demand from tax authorities. The Company has preferred appeal on these matter and the same is pending with various appellate authority.

If these were to fully materialize or materialize at a higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. For further details, please see section titled “Financial Statement –Note no.25-Contingent Liability” on page 229. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

42) Our Promoter have provided personal guarantees to loan facility availed by us, which if revoked may require alternative guarantees, repayment of amount due or termination of the facilities.

Our Promoter has provided personal guarantee in respect of loan availed by us. As on date, Mr. Shazad Sheriar Rustomji, has provided personal guarantee of ₹ 6,000 lakhs to ICICI Bank Limited for Cash Credit availed by our Company. In the event that such guarantee is revoked, the lender for such facilities may require alternate guarantees, repayments of amounts outstanding under such facilities, or even terminate such facilities. If we are unable to procure alternative guarantees which are satisfactory to our lender, we may need

to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or we may have to agree to more onerous terms under our financing agreements, which may affect our financial condition and cash flows.

43) Our indebtedness and the restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.

As at September 30, 2024, we had total outstanding borrowings of ₹8,104.75 Lakhs. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Our financing arrangements contain certain restrictive covenants that limit our ability to undertake certain types of transactions. In the past 3 Fiscal Years, the company has not violated any of the restrictive covenants/events of default or undergone rescheduling for repayment of loans. However, In the event that we breach a restrictive covenant, our lenders could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew maturing borrowings as needed to conduct our operations and pursue our growth initiatives.

Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for events or actions including the following:

- Any change in the capital structure of our Company;
- Prior Permission of Bank/Financial Institution in case of further fund raising
- In case of delay or default in repayment of any of the facility/ies availed by the Company from the Bank or any other bank or financial institution, the Company shall not allow any payout by way of Salary to directors (other than professional directors) or by way of interest to other subordinated lenders or by way of dividend to shareholders.
- Reduction/change in promoter shareholding/change in promoter directorship resulting in change in management control
- Pledge of shares by promoters which may potentially change management control

In addition, such restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. Such financing agreements also require us to maintain certain financial ratios. Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of our credit facilities which may adversely affect our ability to conduct our business and have an adverse effect on our financial condition and results of operations.

44) Our performance depends to a large extent on the efforts and abilities of our individual Promoters, Directors, Key Managerial Personnel. The loss of or diminution in the services of our individual Promoter, Directors or Key Managerial Personnel could have a material adverse effect on our business, financial condition and results of operations.

Our business is highly dependent on our Promoters, Directors and key managerial personnel for setting our strategic business direction, managing the business, retaining skilled professionals, expanding our business operations, to meet business challenges, to attract, recruit and retain experienced, talented and skilled professionals.

The attrition rate in respect of our Promoters/Directors/KMPs and employees are as under:

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Other Employees	20.00%	38.00%	45.00%	43.00%

We may or may not experience similar attrition rates in the future. A significant increase in the attrition rate among skilled employees could decrease our operating efficiency and productivity and could lead to a decline in the profitability of our Company. We may also be required to increase employee compensation more rapidly than in the past to remain competitive in attracting and retaining suitable employees. There is lack for experienced qualified personnel with relevant industry expertise in India, the loss of the services of such

persons may have an adverse effect on our business and operations. For information relating to changes in our Board of Directors and Key managerial personnel, kindly refer chapter “Our Management – Changes in our Board of Directors during the last three years and Changes in Key Managerial Personnel during the last three years on page 176 & 185 respectively of the Draft Red Herring Prospectus.

45) Our Promoters & Directors are interested in our Company in addition to their remuneration and reimbursement of expenses.

Our Promoters, Directors and Key Managerial Personnel are interested in our Company in addition to regular remuneration or benefits and reimbursement of expenses from our Company, and such interests are to the extent of their shareholding in our Company. For the payments that are made by our Company to related parties including remuneration to our Directors, see “Offer Document Summary –Summary of Related Party Transactions”, “Our Management” and “Our Promoter and Promoter Group” on page 19, 181 and 197 respectively. Additionally, our Promoter i.e. Shazad Sheriar Rustomji, has provided personal guarantee for our borrowings of ₹6,000 lakhs and our business, financial condition, results of operations and prospects may be adversely affected by the revocation of the guarantee provided by our Promoter in connection with our Company’s borrowing. For more information, see “Financial Indebtedness” on page 247.

46) Our insurance coverage may not be adequate and this may have a material adverse effect on our business financial condition and results of operation.

We maintain insurance coverage, including insurance in relation to standard fire and other special perils and burglary insurance. As on September 30, 2024 and March 31, 2024, the total insurance coverage maintained by the Company was ₹10,473.36 Lakhs and ₹10,473.36 Lakhs respectively. Further, such insurance coverage was 92.54% and 108.93% of the Property, Plant & Machinery, and Inventories of the Company as per the restated financial information for period ended September 30, 2024 and Financial Year ended March 31, 2024 respectively. While we believe that the amount of our insurance coverage is in line with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Although we believe that we have obtained insurance coverage customary to our business, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause significant disruption to our operations that could have a material adverse impact on our business and operations. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. For details on Insurance taken by us, refer chapter “Our Business” on page 144 of this Red Herring Prospectus.

47) Any variation in the utilization of the Net Proceeds of the Fresh Issue as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval.

We intend to use a portion of the Net Proceeds of the Fresh Issue for the following:

- a) Funding incremental working capital requirements of our Company
- b) Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility (“Khalapur, Maharashtra”)
- c) Funding capital expenditure requirements for our Refrigerant debulking & blending facility (“Mambattu, Andhra Pradesh”)
- d) General Corporate Purposes

Our Company may have to revise its management estimates from time to time on account of various factors, including factors beyond its control such as market conditions, competition, cost of commodities and interest, and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section, may limit or delay our Company’s efforts to use the Net Proceeds to achieve profitable

growth in its business. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies.

In accordance with Section 13(8) and Section 27 of the Companies Act, we cannot change the utilization of the Net Proceeds or the terms of any contract as disclosed in this Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. We may not be able to obtain the Shareholders' approval in a timely manner, or at all, in the event we need to make such changes. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, as required under Section 27 of the Companies Act, our Promoter would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. The requirement to provide an exit opportunity to such dissenting shareholders may deter our Promoter from agreeing to any changes made to the proposed utilization of the Net Proceeds, even if such change is in our interest. Further, we cannot assure you that our Promoter will have adequate resources to provide an exit opportunity at the price prescribed by SEBI. For further details on exit opportunity to dissenting shareholders, see "Objects of the Offer — Variation in Objects" on page 85. In light of these factors, we may not be able to undertake variation of object of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business, financial condition, results of operations, cash flows and prospects.

48) Information relating to the historical capacity of our facilities is based on various assumptions and estimates and actual production may differ significantly from such estimated capacities.

Information relating to the installed capacity and capacity utilization of our blending and debulking facilities included in this Red Herring Prospectus are based on various historical and estimates by our management on product type demand. It has been taken into account by Rajeev Kumar Gupta an Independent Chartered Engineer in his certificate dated August 23, 2024 and December 01, 2024, in the calculation of the installed blending/debulking capacity of and actual productions volumes at our blending facility. The assumptions and estimates includes, taking into account the number of working days in a year, projected utilization based on historical and estimated product demand of blended and debulking gas products. The actual capacity, blending/debulking levels and utilization rates may therefore vary from the information of our facilities included in this Draft Red Herring Prospectus or from the historical installed capacity information of our facilities depending on the product type utilization. Accordingly, undue reliance should not be placed on our historical installed capacity information for our existing facilities included in this Draft Red Herring Prospectus.

49) If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Robust internal controls are imperative for the accurate preparation of financial reports and the prevention of fraud within our organization. However, the effectiveness of existing or potential internal controls, as well as our compliance level, may diminish over time due to evolving business conditions. There is no guarantee that deficiencies in our internal controls will not arise in the future, and our ability to implement and consistently maintain measures to rectify or mitigate such deficiencies may face challenges. Inadequate detection, rectification, or mitigation of internal control deficiencies could adversely affect our capacity to precisely report financial information, manage financial risks effectively, and prevent instances of fraud.

50) We have used information from the CARE Report, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information is subject to inherent risk.

We have used the report titled "Industry Research Report on Fluorochemicals & Specialty Gases" dated August 2024 ("CARE Report") prepared by Care Analytics and Advisory Private Limited ("CARE") appointed by us pursuant to letter dated November 16, 2023, for purposes of inclusion of such information in this Red Herring Prospectus, and exclusively commissioned by our Company in connection with the Offer at an agreed fee to be paid by our Company. We have no direct or indirect association with CARE other than as a consequence of such an engagement. The CARE Report is available on the website of our Company at <https://www.stallionfluorochemicals.com>. The report is a paid report and is subject to various limitations and

based upon certain assumptions, parameters and conditions that are subjective in nature. It also uses certain methodologies for market sizing and forecasting. Although we believe that the data and contents of the CARE Report may be considered to be reliable, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates, projections, forecasts and assumptions are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

Further, the CARE Report or any other industry data or sources are not recommendations to invest in our Company. You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the CARE Report before making any investment decision regarding the Offer. Further you are also advised not to place undue reliance on the CARE Report or extracts thereof as included in this Red Herring Prospectus, when making your investment decision. For the disclaimer associated with the CARE Report, see, “Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data–Industry and Market Data” on page 14.

RISK RELATING TO THE OFFER AND THE EQUITY SHARES

51) The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.

There has been no public market for our Equity Shares prior to the Offer. The determination of the Price Band is based on various factors and assumptions and will be determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Manager. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Manager, through the Book Building Process. This price will be based on numerous factors, as described under in “Basis for Offer Price” on page 108. This price may not necessarily be indicative of the market price of the Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

The price at which the Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- our financial condition, results of operations and cash flows;
- the history of and prospects for our business;
- an assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial condition, including financial estimates by research analysts and investors;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;

- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Managerial Personnel;
- changes in interest rates;
- fluctuations in stock market prices and volume; and
- general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our financial condition, results of operations and cash flows.

The Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

52) Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.

We may in the future issue equity shares, debt securities and other kind of financing instrument to finance our future growth or fund our business activities. Any future equity issuances by us, may lead to the dilution of investors' shareholdings in our Company. The trading price of the Equity Shares may be adversely affected by our future equity issuances (including under an employee benefits scheme), disposal of our Equity Shares by the Promoters or any of our other principal shareholders, changes in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India, or any public perception regarding such issuance or sales, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. There can be no assurance that we will not issue additional Equity Shares at a price which is lower than the Offer Price or that our existing shareholders including our Promoters will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares.

53) The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to factors including variations in the operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

54) QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids

until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within three Working Days from the Bid/Offer Closing Date, or such other period as may be prescribed by the SEBI events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition, results of operations, cash flows and prospects may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

55) Requirements of being a listed company may strain our resources.

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition with the stock exchanges. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, financial condition, results of operations, cash flows and prospects.

56) Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advise investors to be cautious while dealing in certain securities and advise market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On completion of the Offer, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

57) Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately three Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

58) There is no assurance that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all or that once listed, will remain listed on the Stock Exchange.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

Although it is currently intended that the Equity Shares will remain listed on the Stock Exchanges, there is no assurance of the continued listing of the Equity Shares. Among other factors, we may not continue to satisfy the listing requirements of the Stock Exchanges. Accordingly, Shareholders will not be able to sell their Equity Shares through trading on the Stock Exchanges if the Equity Shares are no longer listed on the Stock Exchange.

59) Upon listing, we may be subject to additional costs/unanticipated expenses arising from the obligations that a listed public company has to comply with, under the applicable regulatory framework in India.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed public company, we shall incur legal, accounting, insurance and other expenses that we have not incurred as an unlisted public company, including costs associated with listed company reporting and corporate governance requirements. We expect that rules and regulations shall increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our Senior Management. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting, fines, sanctions and other regulatory action and potentially civil litigation. Any such action could adversely affect our business, financial condition, results of operations, cash flows and prospects.

For instance, we shall be subject to the Listing Regulations which shall require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we shall need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention shall be

required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, financial condition, results of operations, cash flows and prospects. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but there can be no assurance that we shall be able to do so in a timely and efficient manner.

EXTERNAL RISKS

60) Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. In April 2019, skirmishes along India's border with Pakistan and the downing of an Indian military jet fighter plane significantly escalated tensions between the two countries. India has also experienced terrorist attacks in some parts of the country. In November 2008, several coordinated shooting and bombing attacks occurred across Mumbai, India's financial capital. These attacks resulted in loss of life, property and business. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies

61) A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margin.

62) Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" on page 170 of this Red Herring Prospectus for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

63) Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

64) You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long term capital gains and is taxable at 10%, in excess of ₹1,00,000. Any long term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India.

65) Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

66) We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the “IFRS Convergence Note”). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders’ equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

67) Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as “systemic risk,” may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

68) Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

69) Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company’s business could cause its results of operations to suffer. Any significant change in India’s economic policies could disrupt business and economic conditions in India generally and the Company’s business in particular.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer ⁽¹⁾	Up to 2,21,61,396 Equity Shares, of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs
of which:	
Fresh Issue ⁽¹⁾	Up to 1,78,58,740 Equity Shares, of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs
Offer for Sale ⁽²⁾	Up to 43,02,656 Equity Shares, of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs by the Promoter Selling Shareholder
The Offer comprises of:	
A) QIB Portion ⁽³⁾⁽⁴⁾⁽⁵⁾	Not more than [●] Equity Shares of face value of ₹. 10 each
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹. 10 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹. 10 each
<i>of which:</i>	
a) Mutual Funds Portion (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹. 10 each
b) Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹. 10 each
B) Non-Institutional Portion ⁽⁵⁾⁽⁶⁾⁽⁷⁾	Not less than [●] Equity Shares of face value of ₹. 10 each
of which:	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size between ₹ 2.00 Lakhs and ₹10.00 Lakhs	[●] Equity Shares of face value of ₹. 10 each
Two-thirds of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹10.00 Lakhs	[●] Equity Shares of face value of ₹ 10 each
C) Retail Portion ⁽⁶⁾⁽⁷⁾	Not less than [●] Equity Shares of face value of ₹ 10 each
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Red Herring Prospectus)	6,14,66,514 Equity Shares of face value of ₹. 10 each
Equity Shares outstanding after the Offer	7,93,25,254 Equity Shares of face value of ₹ 10 each
Use of Net Proceeds	See “ Objects of the Offer ” on page 85 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

⁽¹⁾ The Offer has been authorized by a resolution of our Board dated November 16, 2023 and the Fresh Issue has been authorized pursuant to a special resolution of our Shareholders dated November 30, 2023. Our Board has taken on record the participation of the Promoter Selling Shareholder pursuant to the resolution dated December 05, 2023.

⁽²⁾ The Equity Shares being offered by the Promoter Selling Shareholder are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations. The Promoter Selling Shareholder has approved the transfer of the Offered Shares as set out below:

Sr. No.	Name of the Promoter Selling Shareholder	Number of Equity Shares of face value of Rs. 10 each offered in the Offer for Sale	Date of consent letters
1)	Shazad Sheriar Rustomji	43,02,656	November 30, 2023

⁽³⁾ Our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Offer. In the event of

under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For further details, see “Offer Procedure” on page 331

- (4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law. In the event of an under-subscription in the Offer, (i) the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares through the Offer for Sale to meet the minimum subscription of 90% of the Fresh Issue. Once the minimum subscription to the Fresh Issue is achieved, the Equity Shares held by the Promoter Selling Shareholder will be allocated as a part of the Offer for Sale. Further, once the Equity Shares of the Promoter Selling Shareholder are allocated as a part of the Offer, the remaining portion of the Fresh Issue will be allocated as a part of the Offer.
- (5) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2.00 Lakhs and up to ₹ 10.00 Lakhs, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 10.00 Lakhs, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For further details, see “Offer Procedure” on page 331
- (6) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 Lakhs shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2.00Lakhs and up to ₹5.00Lakhs using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (7) Allocation to Bidders in all categories, except Anchor Investors, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 2.00 Lakhs and up to ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

For further details, including in relation to grounds for rejection of Bids, refer to “Offer Structure “and “Offer Procedure” on pages 327 and 331, respectively. For further details of the terms of the Offer, see “Terms of the Offer” on page 320.

SUMMARY OF FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto, and “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 205 and 265, respectively.

Annexure I - Restated Statement of Assets and Liabilities

(All amounts in Rupees lacs, unless otherwise stated)

I.	ASSETS	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1	Non-current assets				
	(a) Property, Plant and Equipment	1,680.71	1,372.34	1,287.60	1,833.57
	(b) Deferred tax assets (net)	75.18	74.22	74.61	-
	(c) Income tax assets (net)	35.07	313.43	367.59	-
	(d) Other non-current assets	-	0.25	0.75	1.25
2	Current assets				
	(a) Inventories	10,745.47	9,095.58	4,159.80	4,303.41
	(b) Financial Assets				
	(i) Trade receivables	7,634.41	7,103.62	4,239.50	2,847.85
	(ii) Cash and cash equivalents	2,218.54	1,613.63	101.20	162.43
	(iii) Bank balances other than (iii) above	64.74	93.39	1,427.97	14.11
	(iv) Others Financial Assets	3.98	3.98	0.10	0.10
	(c) Other current assets	1,110.91	643.58	958.81	637.98
	Total Assets	23,569.01	20,314.01	12,617.92	9,800.69
II.	EQUITY AND LIABILITIES				
	EQUITY				
	(a) Equity Share capital	6,146.65	6,146.65	5,512.50	1,225.00
	(b) Other Equity	7,306.55	5,649.73	1,557.82	4,868.66
	Total Equity	13,453.20	11,796.39	7,070.32	6,093.66
	LIABILITIES				
1	Non-current liabilities				
	(a) Provisions	33.07	30.38	26.60	24.48
	(b) Deferred tax liabilities (Net)	-	-	0.00	52.49
2	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	8,104.75	6,534.54	1,827.42	196.97
	(ii) Trade Payables				
	(A) total outstanding dues of micro enterprises and small enterprises; and	1.27	1.29	3.30	11.76
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	703.28	372.86	2,380.13	2,882.68
	(b) Other current liabilities	185.56	166.96	30.88	53.61
	(c) Provisions	1,052.54	1,047.32	1,032.53	3.59
	(d) Current Tax Liabilities (Net)	35.34	364.28	246.75	481.45
	Total Liabilities	10,115.81	8,517.63	5,547.60	3,707.03
	Total Equity and Liabilities	23,569.01	20,314.01	12,617.92	9,800.69

Annexure II - Restated Statement of Profit and Loss
(All amounts in Rupees lacs, unless otherwise stated)

Sr. no.	Particulars	For the period / year ended			
		September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
I	Income				
	Revenue from operations	14,073.15	23,323.58	22,550.44	18,588.27
	Other income	80.01	299.05	55.91	45.80
	Total Income (I)	14,153.16	23,622.63	22,606.35	18,634.07
II	Expenses				
	Cost of materials consumed	12,370.11	19,467.12	19,557.59	15,141.65
	Changes in inventories of finished goods, Stock-in-Trade and work in-progress	(1,786.45)	(791.97)	(595.31)	(1,195.24)
	Employee benefits expense	84.84	190.92	143.12	130.76
	Finance costs	249.17	432.48	108.61	115.01
	Depreciation and amortization expenses	57.53	111.06	153.86	178.78
	Other expenses	930.89	2,086.07	1,941.05	1,256.02
	Total expenses (II)	11,906.09	21,495.68	21,308.93	15,626.98
III	Restated Profit before tax (I-II)	2,247.06	2,126.94	1,297.42	3,007.09
IV	Tax expense:				
	Current tax	591.51	648.62	449.76	881.72
	Deferred tax	(0.95)	(0.50)	(127.65)	14.40
	Total tax expense (IV)	590.55	648.12	322.12	896.12
V	Restated Profit for the period / year (III+IV)	1,656.51	1,478.83	975.30	2,110.97
VI	Restated Other Comprehensive Income				
	A (i) Items that will not be reclassified to profits or loss				
	Remeasurements of the defined benefit plans;	0.41	0.54	1.91	3.33
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.10)	(0.16)	(0.56)	(0.97)
VII	Restated Total Comprehensive Income for the period / year (V+VI) Comprising Profit and Other comprehensive Income for the period / year)	1,656.82	1,479.21	976.66	2,113.33
VIII	Earnings per equity share				
	(1) Basic	2.69	2.54	1.77	3.83
	(2) Diluted	2.69	2.54	1.77	3.83

Annexure IV - Restated Statement of Cash flow Statement

(All amounts in Rupees lacs, unless otherwise stated)

Particulars	For the period / year ended			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
A. Cash flows from operating activities				
Profit before tax for the year	2,247.06	2,126.94	1,297.42	3,007.09
Adjustments for:				
Depreciation and amortisation expenses	57.53	111.06	153.86	178.78
(Gain)/Loss on sale of Property Plant and Equipment	-	-	274.39	-
Finance costs	225.13	310.34	72.63	51.10
Interest Income on deposits	(0.11)	(74.81)	(48.30)	(1.70)
Liabilities no longer required written back	-	(107.48)	-	-
Impairment loss on Property, Plant and Equipments	-	-	90.06	-
Remeasurements of the defined benefit plans	0.41	0.54	1.91	3.33
Bad Debt / Advances written off	0.10	48.31	36.28	15.72
Allowances for doubtful debts	100.77	235.61	73.79	(41.41)
Operating cash flow before working capital changes	2,630.89	2,650.52	1,952.03	3,212.90
Movements in working capital:				
(Increase) / Decrease in trade receivables	(631.66)	(3,148.04)	(1,465.44)	6,280.29
Decrease in current and non-current financial assets	-	(3.88)	-	(0.00)
Decrease/(Increase) in other current and non-current assets	(467.08)	315.73	(320.33)	119.97
Increase in inventories	(1,649.90)	(4,935.78)	143.61	(1,054.60)
(Decrease)/Increase in Trade payables	330.41	(1,901.80)	(547.28)	(7,100.17)
Increase in current and non-current liabilities and provisions	26.50	154.65	1,008.32	(28.56)
Cash generated from operations	239.16	(6,868.60)	770.92	1,429.83
Income taxes paid (net)	(642.19)	(476.19)	(1,052.06)	(630.88)
Net cash generated from operating activities	(403.03)	(7,344.79)	(281.14)	798.95
B. Cash flows from investing activities				
Purchase of property, plant and equipment, capital work in progress and intangible assets	(365.90)	(34.17)	(0.80)	(130.39)
Acquisition of property, plant and equipment through slum sale arrangements	-	(161.63)	-	-
Proceeds from disposal of property, plant and equipment	-	-	28.45	(0.02)
Investment / (Maturity) of Fixed Deposits (net)	28.65	1,334.58	(1,413.86)	49.05
Interest received	0.11	74.81	48.30	1.70
Net cash (used in)/ generated from investing activities	(337.14)	1,213.58	(1,337.91)	(79.65)
C. Cash flows from financing activities				
Increase / (Decrease in Short Term Borrowings (net)	1,570.21	4,707.12	1,630.45	(764.47)
Interest paid on Borrowings	(225.13)	(310.34)	(72.63)	(51.10)
Issue of Share Capital (incl premium for consideration other than cash under Business Transfer arrangement)	-	3,246.86	-	-
Net cash used in financing activities	1,345.08	7,643.64	1,557.82	(815.56)
Net increase in cash and cash equivalents (A+B+C)	604.91	1,512.43	(61.23)	(96.27)
Cash and cash equivalents at the beginning of the period / year	1,613.63	101.20	162.43	258.70
Cash and cash equivalents at the end of the period / year	2,218.54	1,613.63	101.20	162.43

GENERAL INFORMATION

Our Company was incorporated as Stallion India Fluorochemicals Private Limited, a private limited company, at Mumbai under the Companies Act, 1956 on September 05, 2002, and was granted the certificate of incorporation by the RoC. Subsequently, the name of the Company was changed to Stallion India Fluorochemicals Limited pursuant to a special resolution passed by the shareholders of the Company on August 07, 2023, and a fresh certificate of incorporation dated October 05, 2023 was issued by the RoC consequent upon change of name upon conversion into a public limited company under the Companies Act, 2013. For further details, relating to the changes in registered office of our Company, see “History and Certain Corporate Matters” on page 179.

Registered and Corporate Office

Stallion India Fluorochemicals Limited

2, A Wing, Knox Plaza,
Off. Link Road, Mindspace,
Malad - West, Mumbai-400064, Maharashtra.
Tel. No.: 022-43510000
Email: sf@stallion.in
Website: www.stallionfluorochemicals.com

For details of the changes in our Registered Office, see “History and Certain Corporate Matters- Change in the Registered Office” at page 179.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

- a. **Registration number:** 137076
- b. **Corporate identity number:** U51410MH2002PLC137076

Registrar of Companies

The Registrar of Companies, Mumbai

100, Everest, Marine Drive,
Mumbai- 400002, Maharashtra.

Filing

A copy of this Red Herring Prospectus shall be uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI master circular SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023. It will also be filed with the SEBI at:

Securities and Exchange Board of India

SEBI Bhavan, Plot No. C4 A, ‘G’ Block
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051, Maharashtra

The Red Herring Prospectus and Prospectus, respectively, will be filed with the RoC in accordance with Section 32 read with Section 26 of the Companies Act, along with the material contracts and documents referred to in each of the Red Herring Prospectus and the Prospectus, respectively, and through the electronic portal.

Board of Directors our Company

The following table sets out the brief details of our Board as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Shazad Sheriar Rustomji	Managing Director & CEO	01923432	1002/03 A Wing, Serenity Heights, 10th Floor, Raheja Mindspace, Chincholi Bunder road Extn, Malad (w), Mumbai-400064, Maharashtra.

Name	Designation	DIN	Address
Manisha Shazad Rustomji	Executive Director	03186678	1002/03 A Wing, Serenity Heights, 10th Floor, Raheja Mindspace, Chincholi Bunder road Extn, Malad (w), Mumbai-400064, Maharashtra.
Rohan Shazad Rustomji	Executive Director	09312347	1002/03 A Wing, Serenity Heights, 10 th Floor, Raheja Mindspace, Chincholi Bunder road Extn, Malad (w), Mumbai-400064, Maharashtra.
Geetu Yadav	Executive Director	08831278	Ateli (Rural) (21) Mahendragarh, Harayana – 123021.
Rajagopal Neelacantan	Independent Director	00176806	902-A, Evershine Grandeur CHS Ltd, Behind Inorbit Mindspace, Inorbit Mall, Malad (w) Mumbai-400064, Maharashtra.
Virenderkumar Mehta	Independent Director	10207689	F-4B, Indralok Apartment Opp. Lake View Hotel Piplod Abhva, Surat – 395007, Gujarat.
Mukund Kandoi	Independent Director	10483497	G-702, Shri Marigold CHSL, Valley of Flowers, Thakur Village, Kandivali (East), Mumbai-400101, Maharashtra
Gautam Lath	Independent Director	10198794	304, Harshad Heights, 150, Feet Road, Opp. Maxus Mall, Bhayander (w), Thane - 401101

For further details of our Board of Directors, see “Our Management” on page 183.

Company Secretary and Compliance Officer

Sarita Khamwani

Stallion India Fluorochemicals Limited

2, A Wing, Knox Plaza,

Off. Link Road, Mindspace,

Malad - West, Mumbai-400064, Maharashtra.

Tel.: 022-43510000

E-mail: compliance@stallion.in

Investor Grievances

Investors may contact the Company Secretary & Compliance Officer and or the Registrar to the Offer and / or the Book Running Lead Manager to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non- credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

All Offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary (ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Key Intermediaries to the Offer:

Book Running Lead Manager	Registrar to the Offer
<p>Sarathi Capital Advisors Private Limited 401, 4th Floor, Manek Plaza, 167, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai-400098. Tel.: +91 22 26528671/72 Contact Person: Mr. Taher Engineer Email: compliance@sarathiwm.in Website: www.sarathi.in SEBI Registration No: INM000012011</p>	<p>Bigshare Services Private Limited Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093. Tel.: +91 22 6263 8200 Contact Person: Jibu John Email: ipo@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No.: INR000001385</p>
Legal Advisor to the Company	Banker to the Company
<p>Bankim Mehta & Associates Level 4, Office No. 36 & 38 , Western India House, Sir P.M. Road, Fort, Mumbai – 400001. Contact Person: Bankim Mehta Enrolment No.: Mah/3150/2003 Contact No.: +91 9821374988 Email: bankim.mehta@bmassociates.in</p>	<p>ICICI Bank Limited ICICI Bank, 6th floor, Akruiti Center Point, MIDC, Andheri East, Mumbai 400093 Contact No.: 9371772731 Email: gopesh.kumar@icicibank.com Contact Person: Gopesh Kumar</p>
Statutory & Peer Reviewed Auditor	Public Offer Bank
<p>M/s. Mittal & Associates <i>Chartered Accountants</i> B-603, Raylon Arcade, R K Mandir Road, Kondivita, Andheri (East), Mumbai - 400059 Contact No.: +91 8689958800 Email: Hemant@mittal-associates.com Contact Person: Hemant Bohra Firm Registration No.: 106456W Membership No.: 165667 Peer Review Certificate No.: 013088</p>	<p>Axis Bank Limited Axis House, 6th Floor, C-2, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400025 Contact No.: 022 43253669 Email: vishal.lade@axisbank.com Contact Person: Viahah Lade SEBI Reg. No.: INBI00000017</p>
Sponsor Banks	Escrow Collection Bank & Refund Bank
<p>Axis Bank Limited Axis House, 6th Floor, C-2, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400025 Contact No.: 022 43253669 Email: vishal.lade@axisbank.com Contact Person: Vishal Lade SEBI Reg. No.: INBI00000017</p> <p>Yes Bank Limited Yes Bank Ltd., 1st Floor, Plot No. 444, Udyog Vihar, Phase -5, Gurugram, Haryana – 122008 Contact No.: 0124 4619267 Email: dlgnescrowservices@yesbank.in/ dlbtiservices@yesbank.in Contact Person: Arvinder Singh SEBI Reg. No.: INBI00000935</p>	<p>Yes Bank Limited Yes Bank Ltd., 1st Floor, Plot No. 444, Udyog Vihar, Phase -5, Gurugram, Haryana – 122008 Contact No.: 0124 4619267 Email: dlgnescrowservices@yesbank.in/ dlbtiservices@yesbank.in Contact Person: Arvinder Singh SEBI Reg. No.: INBI00000935</p>

Syndicate Members

Khandwala Securities Limited
G-II, Ground Floor, Dalamal House,
Nariman Point, Mumbai - 400021
Tel.:+91 22 40767373
Email: ipo@kslindia.com
Website: www.kslindia.com
Contact Person: Pranav Khandwala / Abhishek Joshi
SEBI Registration No.: INM000001899

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs eligible as Issuer Banks for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35>, as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipo/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipo/asba_procedures.htm, respectively, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received the written consent dated November 02, 2023 from M/s Mittal & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated December 06, 2024 on our Restated Financial Information; and (ii) their report dated December 07, 2024 on the statement of possible special tax benefits available to the Company, and its shareholders, in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated October 20, 2023 from Rajeev Kumar Gupta, as Chartered Engineer to include their name under the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under the Companies Act, 2013 in respect of their certificate on our Company’s capacity and its utilization at facilities, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Changes in Auditors

Except as disclosed below, there has been no change in our statutory auditors in the three years preceding the date of this Red Herring Prospectus:

Particulars	Period of appointment	Date of change	Reason for change
M/s. Mittal & Associates <i>Chartered Accountants</i> B-603, Raylon Arcade, R K Mandir Road, Kondivita, Andheri (East), Mumbai - 400059 Tel. No.: +91 8689958800 Email: Hemant@mittal-associates.com Contact Person: Hemant Bohra Firm Registration No.: 106456W Membership No.: 165667 Peer Review Certificate No.: 013088	April 01, 2023 to March 31, 2028	August 07, 2023	Appointed as Statutory Auditor (a peer reviewed firm) due to casual vacancy of M/s Doshi Praveen & Co.
M/s Doshi Praveen & Co., <i>Chartered Accountants</i> 3, Mahesh Niwas, L.T. Road No. 3, Goregaon (West), Mumbai – 400 062 Tel. No.: +9128790315 Email: doship115@gmail.com Contact Person: Praveen K. Doshi Firm Registration Number: 102742W Membership No.: 042112	April 01, 2019 to March 31, 2024	August 07, 2023	Resigned as Statutory Auditor as it did not hold a valid peer reviewed certificate

Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilized have been appraised by any agency.

Monitoring Agency

Our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilization of the Gross Proceeds from the Fresh Issue prior to the filing of the Red Herring Prospectus. For details in relation to the proposed utilization of the Net Proceeds, see the section titled “Objects of the Offer” on page 85.

Inter-se allocation of Responsibilities

Since Sarthi Capital Advisors Private Limited is the sole Book Running Lead Manager to this Offer, a statement of inter se allocation of responsibilities among Book Running Lead Managers is not applicable.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustee

As the Offer is of Equity Shares, the appointment of trustees not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Price Band will be decided by our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager, and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Maharashtra editions of Navshakti, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager after the Bid/Offer Closing Date.

All Bidders, other than UPI Bidders and Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. UPI Bidders shall participate through the ASBA process using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For further details, see “Terms of the Offer” and “Offer Procedure” beginning on pages 320 and 331 respectively.

The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, an illustration of the Book Building Process and the price discovery process see “Offer Procedure” and “Terms of the Offer” beginning on pages 331 and 320, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriter(s) for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter (s) will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriter(s) have indicated their intention to underwrite the following number of Equity Shares:

(₹ in Lakhs)

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares of face value of ₹10 each to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalized after determination of Offer Price and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. Merchant banker or registered stock brokers will act as Underwriters in connection with the Offer. Our Board/ IPO Committee, will at its meeting accept and enter into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Red Herring Prospectus is as set forth below:

		(₹ in lakhs)	
Particulars	Aggregate value at face value	Aggregate value at Offer Price*	
A	AUTHORIZED SHARE CAPITAL⁽¹⁾		
	13,00,00,000 Equity Shares of Face value of ₹. 10.00 each	13,000.00	-
B	ISSUED,SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER		
	6,14,66,514 Equity Shares of Face value of ₹. 10.00 each	6,146.65	-
C	PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS		
	Offer of up to 2,21,61,396 Equity Shares of Face value of ₹. 10.00 each ⁽²⁾⁽³⁾	2,216.14	[●]
	Which comprises of		
	Fresh Issue of up to 1,78,58,740 Equity Shares of Face value of ₹ 10.00 each aggregating up to ₹ [●] lakhs	1,785.87	[●]
	Offer for Sale of up to 43,02,656 Equity Shares of Face value of ₹. 10.00 each by the Promoter Selling Shareholder aggregating up to ₹ [●] lakhs	430.27	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	7,93,25,254 Equity Shares of Face value of ₹ 10.00 each	7,932.53	-
E	SECURITIES PREMIUM		
	Before the Offer		2,612.70
	After the Offer ⁽⁴⁾		[●]

*To be included upon finalization of Offer Price.

- (1) For details in relation to changes in the authorized share capital of our Company, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 179
- (2) The Fresh Issue has been authorized by our Board of Directors pursuant to the resolution passed at their meeting dated November 16, 2023 and our Shareholders have approved the Fresh Issue pursuant to special resolution dated November 30, 2023. Our Board has taken on record the participation of the Promoter Selling Shareholder pursuant to the resolution dated December 05, 2023.
- (3) Promoter Selling Shareholder confirms that the Offered Shares have been held by such Promoter Selling Shareholder for a period of at least one year prior to filing of this Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Promoter Selling Shareholder has confirmed and approved its participation in the Offer for Sale as set out below:

S. No.	Promoter Selling Shareholder	No. of Equity Shares of Face value of Rs. 10.00 each offered in the Offer for Sale	Date of board resolutions	Date of consent letter
1.	Shazad Sheriar Rustomji	43,02,656	December 05, 2023	November 30, 2023

For details on the authorization of the Promoter Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 311.

- (4) Without adjusting for the offer expenses.

As on date, our Company has only one class of Share Capital. i.e. Equity Shares of face value of ₹10 each only. All equity shares are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

Notes to the Capital Structure

History of change in authorized Equity Share capital of our Company

- 1) The Initial Authorized Share Capital of ₹1,00,00,000 (Rupees One Crore) consisting of 10,00,000 (Ten lakhs) Equity shares of Face Value of ₹10.00 each was increased to ₹7,00,00,000 (Rupees Seven Crores) consisting of 70,00,000 (Seventy Lakhs) Equity Shares of face value of ₹10.00 each pursuant to a Resolution of the shareholders dated October 15, 2014.
- 2) The Authorized Share Capital of ₹7,00,00,000 (Rupees Seven Crores) consisting of 70,00,000 (Seventy Lakhs) Equity Shares of face value of ₹10.00 each was increased to ₹14,00,00,000 (Rupees Fourteen Crores) consisting of 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of face value of ₹10.00 each pursuant to a Resolution of the shareholders dated January 16, 2018.
- 3) The Authorized Share Capital of ₹14,00,00,000 (Rupees Fourteen Crores) consisting of 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of face value of ₹10.00 each was increased to ₹60,00,00,000 (Rupees Sixty Crores) consisting of 6,00,00,000 (Six Crore) Equity Shares of face value of ₹10.00 each pursuant to a Resolution of the shareholders dated May 27, 2022.
- 4) The Authorized Share Capital of ₹60,00,00,000 (Rupees Sixty Crores) consisting of 6,00,00,000 (Six Crore) Equity Shares of face value of ₹10.00 each was increased to ₹1,30,00,00,000 (Rupees One Hundred Thirty Crores) consisting of 13,00,00,000 (Thirteen Crores) Equity Shares of face value of ₹10.00 each pursuant to a Resolution of the shareholders dated August 07, 2023.

1. Share Capital history of our Company

a. Equity Share Capital

Date of allotment	Number of equity shares of face value of ₹10 each allotted	Face value per equity share (₹)	Issue price per equity share(₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares of face value of ₹10 each	Cumulative paid-up equity share capital (₹)
September 05, 2002	10,000	10.00	10.00	Cash	Subscription to MOA ⁽¹⁾	10,000	1,00,000
February 04, 2015	69,90,000	10.00	NA	Conversion of loan	Further Allotment ⁽²⁾	70,00,000	7,00,00,000
January 25, 2018	52,50,000	10.00	NA	Other than cash	Bonus Issue ⁽³⁾	1,22,50,000	12,25,00,000
January 20, 2023	4,28,75,000	10.00	NA	Other than cash	Bonus Issue ⁽⁴⁾	5,51,25,000	55,12,50,000
September 30, 2023	63,41,514	10.00	51.20	Other than cash	Allotment pursuant to slump sale agreement ⁽⁵⁾	6,14,66,514	61,46,65,140

- ⁽¹⁾ Initial Subscribers to Memorandum of Association holds 10,000 (Ten Thousand) Equity Shares each of Face Value of ₹10.00 fully paid up as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Shazad Sheriar Rustomji	8,000
2.	Manisha Shazad Rustomji	2,000
	Total	10,000

- ⁽²⁾ The Company allotted 69,90,000 (Sixty-Nine Lakhs & Ninety Thousand) Equity Shares of Face Value of ₹10.00 pursuant to Conversion of unsecured loan of ₹7,00,00,000 taken from Shazad Sheriar as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Shazad Sheriar Rustomji	69,90,000

	Total	69,90,000
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- (3) The Company allotted 52,50,000 (Fifty-Two Lakhs & Fifty Thousand) Equity Shares as Bonus Shares of Face Value of ₹10.00 each in the ratio of 03 (Three) Equity shares for every 04 (Four) Equity Share held as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Shazad Sheriar Rustomji	52,48,500
2.	Manisha Shazad Rustomji	1,500
	Total	52,50,000

- (4) The Company allotted 4,28,75,000 (Four Crores Twenty-Eight Lakhs & Seventy-Five Thousand) Equity Shares as Bonus Shares of Face Value of ₹10.00 each in the ratio of 3.5 (Three & Half) Equity shares for every 01 (One) Equity Share held as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Shazad Sheriar Rustomji	4,28,59,250
2.	Manisha Shazad Rustomji	12,250
3.	Rohan Shazad Rustomji	3,500
	Total	4,28,75,000

- (5) The Company allotted 63,41,514 (Sixty-three lakhs forty-one thousand five hundred and fourteen) Equity Shares pursuant to Slump sale agreement dated September 30, 2023 of Face Value of ₹10.00 Stallion Enterprise, a Proprietary Firm owned by Shazad Sheriar Rustomji, was acquired on a Slump Sale basis as per the Slump Sale Agreement dated September 30, 2023. The acquisition was facilitated by issuing 6,341,514 Equity shares at an Issue Price of Rs. 51.20 per share to Shazad Sheriar Rustomji each as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Shazad Sheriar Rustomji	63,41,514
	Total	63,41,514

2. Issue of shares for consideration other than cash or by way of bonus issue or out of revaluation reserves

- a) Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation.
- b) Except as stated below, our Company has not issued any Equity Shares for consideration other than cash or by way of bonus issue, as on the date of this Red Herring Prospectus:

Date of allotment	Name of allottees	Number of Shares allotted	Face value per Share (₹)	Issue price per Share (₹)	Reasons for allotment
February 04, 2015	Shazad Sheriar Rustomji	69,90,000	10	NA	Conversion of loan
January 25, 2018	Shazad Sheriar Rustomji and Manisha Shazad Rustomji	52,50,000	10	NA	Bonus issue in the ratio of 3:4
January 20, 2023	Shazad Sheriar Rustomji, Manisha Shazad Rustomji and Rohan Shazad Rustomji	4,28,75,000	10	NA	Bonus issue in the ratio of 3.5:1
September 30, 2023	Shazad Sheriar Rustomji	63,41,514	10	NA	Pursuant to slump sale agreement*

*for further details please refer chapter "Our History and Certain Corporate Matters".

3. Issue of shares at a price lower than the Issue Price in the last year

Our Company has not issued any Equity Shares at a price that may be lower than the Issue Price during the last one year.

4. Issue of Equity Shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares in terms of any scheme of arrangement approved under sections 391- 394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.

Issue of Equity Shares pursuant to Slump Sale

Our Company has allotted 63,41,514 Equity Shares of face value of ₹10 each to Mr. Shazad Rustomji at a price of ₹51.20 per Equity Share pursuant to Slump Sale Agreement dated September 30, 2023 entered between Stallion Enterprises (Proprietary concern of Shazad Sheriar Rustomji) and our Company.

5. Build-up of Promoters shareholding, Minimum Promoter's Contribution and lock-in

As on the date of this Red Herring Prospectus, Our Promoters, Shazad Sheriar Rustomji holds 5,81,45,864 Equity shares of face value of ₹10 each, Manisha Shazad Rustomji holds 15,750 Equity shares of face value of ₹10 each and Rohan Shazad Rustomji holds 4,500 Equity shares of face value of ₹10 each equivalent to 94.63% of the Equity Share capital of our Company on a fully diluted basis. All the Equity Shares held by our Promoters were fully paid- up on the respective dates of allotment of such Equity Shares.

a) Build-up of the Equity Shareholding of our Promoters in our Company

i. The details regarding the build-up of the Equity Shares held by **Shazad Sheriar Rustomji** in our Company since incorporation is set forth in the table below:

Date of transfer/allotment	Nature of transaction	Number of equity shares of face value of ₹10 each	Face Value per share (₹)	Transfer / Issue Price (₹)	Pre- Offer capital on a fully diluted basis (%)	Post- Offer capital (%)*
On Incorporation	Subscription to MOA ⁽¹⁾	8,000	10.00	10.00	0.01	0.01
February 04, 2015	Further Allotment ⁽²⁾	69,90,000	10.00	NA	11.37	8.81
January 25, 2018	Bonus Issue ⁽³⁾	52,48,500	10.00	NA	8.54	6.62
September 24, 2021	Transfer ⁽⁴⁾	(1,000)	10.00	25.00	Negligible	Negligible
January 20, 2023	Bonus Issue ⁽⁵⁾	4,28,59,250	10.00	NA	69.73	54.03
July 03, 2023	Transfer ⁽⁶⁾	(400)	10.00	50.00	Negligible	Negligible
September 20, 2023	Transfer ⁽⁷⁾	(33,00,000)	10.00	NA	(5.37)	(4.16)
September 30, 2023	Allotment pursuant to slump sale agreement ⁽⁸⁾	63,41,514	10.00	51.20	10.32	7.99
Offer for Sale through Initial Public Offer (Upon finalization of Basis of Allotment)		(43,02,656)	10.00	-	(7.00)	(5.42)
Total		5,38,43,208	-	-	87.60	67.88

*Subject to finalisation of Basis of Allotment.

⁽¹⁾ Initial Subscriber to Memorandum of Association.

⁽²⁾ Conversion of loan of ₹7,00,00,000 into Equity Shares taken from Shazad Sheriar Rustomji.

⁽³⁾ Issue of Bonus Shares in the ration 3:4..

⁽⁴⁾ Transferred to Rohan Shazad Rustomji.

⁽⁵⁾ Issue of Bonus Shares in the ration of 3.5:1.

⁽⁶⁾ Transferred to Geetu Yadav, Rama Rajagopal, Rajagopal Neelacantan & Anupam Kapadia 100 Equity shares each.

⁽⁷⁾ Transfer of shares on September 20, 2023 by Shazad Sheriar Rustomji (promoter) to Geetu Yadav (director) as a gift. This transfer was made as a gesture of gratitude towards Geetu Yadav for her notable contributions and service to the company

⁽⁸⁾ Allotment of Equity shares pursuant to slump sale agreement with Stallion Enterprises.

ii. The details regarding the build-up of the Equity Shares held by **Manisha Shazad Rustomji** in our Company since incorporation is set forth in the table below:

Date of transfer/allotment	Nature of transaction	Number of equity shares of face value of ₹10 each	Face Value per share (₹)	Transfer / Issue Price (₹)	Pre- Offer capital on a fully diluted basis (%)	Post- Offer capital (%)
On Incorporation	Subscription to MOA ⁽¹⁾	2,000	10.00	10.00	Negligible	Negligible
January 25, 2018	Bonus Issue ⁽²⁾	1,500	10.00	NA	Negligible	Negligible
January 20, 2023	Bonus Issue ⁽³⁾	12,250	10.00	NA	0.02	0.01
Total		15,750	-	-	0.02	0.01

⁽¹⁾ Initial Subscriber to Memorandum of Association.

⁽²⁾ Issue of Bonus Shares in the ratio of 3:4.

⁽³⁾ Issue of Bonus Shares in the ration of 3.5:1.

iii. The details regarding the build-up of the Equity Shares held by **Rohan Shazad Rustomji** in our Company since incorporation is set forth in the table below:

Date of transfer/allotment	Nature of transaction	Number of equity shares of face value of ₹10 each	Face Value per share (₹)	Transfer / Issue Price (₹)	Pre- Offer capital on a fully diluted basis (%)	Post- Offer capital (%)
September 24, 2021	Transfer ⁽¹⁾	1,000	10.00	25.00	Negligible	Negligible
January 20, 2023	Bonus Issue ⁽²⁾	3,500	10.00	NA	0.01	0.01
Total		4,500	-	-	0.01	0.01

⁽¹⁾ Transfer from Shazad Sheriar Rustomji

⁽²⁾ Issue of Bonus Shares in the ration of 3.5:1.

6. As on date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

7. Equity shareholding of our Promoter and Promoter Group

Set forth below is the equity shareholding of our Promoter and Promoter Group in our Company as on the date of this Red Herring Prospectus, on a fully diluted basis:

Sr. No.	Name of shareholder	Pre-Offer		Post-Offer*	
		Number of Equity Shares of face value of ₹10 each	Equity Share capital (%) on a fully diluted basis	Number of Equity Shares of face value of ₹10 each	Equity Share capital (%)
(A) Promoter					
1.	Shazad Sheriar Rustomji	5,81,45,864	94.60%	5,38,43,208	67.88%
2.	Manisha Shazad Rustomji	15,750	0.02%	15,750	0.01%
3.	Rohan Shazad Rustomji	4,500	0.01%	4,500	0.01%
Total (A)		5,81,66,114	94.63%	5,38,63,458	67.90%
(B) Promoter Group					
-		-	-	-	-
Total (B)		-	-	-	-
Total (A+B)		5,81,66,114	94.63%	5,38,63,458	67.90%

* Subject to finalization of Basis of Allotment

8. Details of Promoter contribution and lock-in for 18 months

(a) Pursuant to Regulations 14 and 16(1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted Post-Offer Equity Share capital of our Company held by the Promoter shall be locked in for a period of 18 (Eighteen) months as minimum promoters' contribution from the date of Allotment ("Promoter Contribution"), and the Promoters' shareholding in excess of 20% of the fully diluted Post-Offer Equity Share capital shall be locked-in for a period of 6 (six) months from the date of Allotment.

(b) Details of the Equity Shares to be locked-in for 18 (Eighteen) months from the date of Allotment as Promoters' Contribution are set forth in the table below.

Name of the Promoter	Date of allotment of the Equity Shares**	Nature of transaction	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares of face value of ₹10 each locked-in*	Post- Offer paid-up capital *	Date up to which the Equity Shares are subject to lock-in
Shazad Sheriar Rustomji	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total					[•]	[•]	

* Subject to finalization of Basis of Allotment.

** Equity Shares allotted / transferred to our Promoter were fully paid-up at the time of allotment /transfer

- (c) Our Promoter has given consent to include such number of Equity Shares held by him as may constitute 20% of the fully diluted Post-Offer Equity Share capital of our Company as Promoter Contribution. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter Contribution from the date of filing this Red Herring Prospectus until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.
- (d) Our Company undertakes that the Equity Shares that shall be locked-in are not and will not be ineligible for computation of Promoter Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:
- (i) The Equity Shares offered for Promoter Contribution do not include equity shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalization of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealized profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoter Contribution;
 - (ii) The Promoter Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
 - (iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Red Herring Prospectus pursuant to conversion from a partnership firm; and
 - (iv) The Equity Shares forming part of the Promoter Contribution are not subject to any pledge.
 - (v) All the Equity Shares held by our Promoter are held in dematerialized form.

9. Details of Equity Shares locked- in for six months

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire Pre-Offer equity share capital of our Company (other than the Promoter's Contribution) will be locked-in for a period of six months from the date of Allotment except for the Promoter Contribution which shall be locked for a period of 18 months as detailed above

10. Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner:

There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of allotment.

11. Recording on non-transferability of Equity Shares locked-in

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

12. Other requirements in respect of lock-in

Pursuant to Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in may be transferred to and amongst the members of our Promoter Group or to any new promoter, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a housing finance company, subject to the following:

- (a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- (b) With respect to the Equity Shares locked-in as Promoter Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations. However, it should be noted that the Offered Shares which will be transferred by the Promoter Selling Shareholder in the Offer for Sale shall not be subject to lock-in.

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13.Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus.

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	Number of shares underlying Depository Receipts	Total no. of shares held VII=IV+V+VI	Shareholding as a % of total number of shares (calculated as per SCRR,1957)	Number of Voting Rights held in each class of securities*				Number of shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total shares held (b)	
							Equity Shares	Others Class	Total									
I	II	III	IV	V	VI	VII	VIII	IX				X	XI	XII		XIII	XIV	
(A)	Promoter and Promoter Group	3	5,81,66,114	-	-	5,81,66,114	94.63	5,81,66,114	-	5,81,66,114	94.63	-	-	-	-	-	-	5,81,66,114
(B)	Public	4	33,00,400	-	-	33,00,400	5.37	33,00,400	-	33,00,400	5.37	-	-	-	-	-	-	33,00,400
i.	Geetu Yadav	1	33,00,100	-	-	33,00,100	5.37	33,00,100	-	33,00,100	5.37	-	-	-	-	-	-	33,00,100
ii.	Rama Rajagopal	1	100	-	-	100	negligible	100	-	100	negligible	-	-	-	-	-	-	100
iii.	Rajagopal Neelacantan	1	100	-	-	100	negligible	100	-	100	negligible	-	-	-	-	-	-	100
iv.	Anupam Kapadia	1	100	-	-	100	negligible	100	-	100	negligible	-	-	-	-	-	-	100
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	6,14,66,514	-	-	6,14,66,514	100.00	6,14,66,514	-	6,14,66,514	100.00	-	-	-	-	-	-	6,14,66,514

*As on the date of this Red Herring Prospectus 1 Equity Share holds 1 vote. There is no voting right on the preference shares issued by our company.

**Shall be locked-in on or before filing of Prospectus with NSE, BSE, SEBI & RoC

None of the Public Shareholder of the Company are related with the promoters/issuer/ directors/ other related entities in any capacity except for Geetu Yadav and Rajagopal Neelacantan as the Directors of the Issuer.

14. Other details of Shareholding of our Company

- (a) As on the date of the filing of this Red Herring Prospectus, our Company has 7 (Seven) Shareholders who hold Equity Shares.
- (b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹10 each	Equity Share capital (%)
1.	Shazad Sheriar Rustomji	5,81,45,864	94.60
2.	Geetu Yadav	33,00,100	5.37
Total		6,14,45,964	99.97

- (c) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹10 each	Equity Share capital (%)
1.	Shazad Sheriar Rustomji	5,81,45,864	94.60
2.	Geetu Yadav	33,00,100	5.37
Total		6,14,45,964	99.97

- (d) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of one year prior to the date of filing of this Red Herring Prospectus.

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹10 each	Equity Share capital (%)
1.	Shazad Sheriar Rustomji	1,22,45,500	99.96
Total		1,22,45,500	99.96

- (e) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of two years prior to the date of filing of this Red Herring Prospectus.

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹10 each	Equity Share capital (%)
1.	Shazad Sheriar Rustomji	1,22,45,500	99.96
Total		1,22,45,500	99.96

15. Except for the allotment of Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of bonus issue of Equity Shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

16. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Red Herring Prospectus.

17. All Equity Shares held by our Promoters are dematerialized.

18. As on the date of this Red Herring Prospectus, except for Shazad Sheriar Rustomji, Manisha Shazad Rustomji, Rohan Shazad Rustomji, Geetu Yadav & Rajagopal Neelacantan, none of our other Directors or Key Management

Personnel hold any Equity Shares of our Company. For further details, please see “*Capital Structure*” on page 75.

19. None of the members of the Promoter Group, the Promoter, or the Directors and their relatives have purchased or sold any securities of our Company during the period of one year immediately preceding the date of this Red Herring Prospectus:
20. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Red Herring Prospectus.
21. Our Company, the Promoters, the Directors and the Book Running Lead Manager have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
22. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
23. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
24. Promoters or other members of our Promoter Group will not participate in the Offer except to the extent of their participation in the Offer for Sale.
25. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges pursuant to the Offer or all application monies have been refunded, or the application moneys are unblocked in the ASBA Accounts on account of non- listing, under-subscription etc., as the case may be.
26. Our Company shall ensure that any transaction in the Equity Shares by our Promoters and our Promoter Group during the period between the date of filing this Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.
27. No person connected with the Offer, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company, our Directors, our Promoter, members of our Promoter Group, shall offer or make payment of any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.
28. Neither our Company nor any of its Promoter Group or any other related entities have been involved in the act of money mobilization in any manner. Further, no regulatory authority or agency has at any time sought any information in any manner
29. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

OBJECT OF THE OFFER

The Offer comprises a Fresh Issue of up to 1,78,58,740 Equity Shares of face value of ₹10 each aggregating up to ₹[●] lakhs and an Offer for Sale of 43,02,656 Equity Shares of face value of ₹10 each aggregating up to ₹[●] lakhs by the Promoter Selling Shareholder.

Offer for Sale

The Promoter Selling shareholder will be entitled to the proceeds of the Offer for Sale after deducting its respective proportion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Fresh Issue

The net proceeds of the Fresh Issue, i.e. gross proceeds of the Fresh Issue less the issue expenses apportioned to our Company (“Net Proceeds”) are proposed to be utilized in the following manner:

- 1) Funding incremental working capital requirements of our Company;
- 2) Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility (“Khalapur, Maharashtra”)
- 3) Funding capital expenditure requirements for our Refrigerant debulking & blending facility (“Mambattu, Andhra Pradesh”)
- 4) General Corporate Purposes

(Collectively referred as the “Objects”)

Our Company believes that listing will enhance our Company’s corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

Net Proceeds

The details of the proceeds of the Fresh Issue are summarized in the table below:

Particulars	(₹) in lakhs
Gross proceeds from the Fresh Issue [#]	[●]
(Less) Fresh Issue related expenses*	[●]
Net proceeds from the Fresh Issue	[●]

[#]To be finalized upon determination of the Offer Price and will be updated in the Prospectus at the time of filing with the RoC.

*Mittal & Associates, Chartered Accountants, Statutory Auditor have vide certificate dated December 07, 2024 confirmed that the Company has incurred a sum of ₹ 251.66 lakhs towards issue expenses.

Utilization of Net Proceeds and Schedule of Deployment

As estimated by our management, the entire proceeds from the Fresh Issue shall be utilized as follows:

(₹ in lakhs)

Particulars	Total Funds	Estimated deployment
		Fiscal 2026
Funding incremental working capital requirements of our Company	9,500.00	9,500.00
Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility (“Khalapur, Maharashtra”)	2,915.54	2,915.54
Funding capital expenditure requirements for our Refrigerant debulking & blending facility (“Mambattu, Andhra Pradesh”)	2,117.53	2,117.53
General Corporate Purposes [#]	[●]	[●]

[#]To be finalized upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, current and valid quotations and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. Our historical capital expenditure may not be reflective of our future capital expenditure plans.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects of the Fresh Issue, if required and towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations.

Means of Finance

The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds and Internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR Regulations.

Details of the Objects

Our Board at its meeting held on Decemer 06, 2024 approved the proposed Objects of the Offer and the respective amounts proposed to be utilized from the Net Proceeds for each object.

Utilization of Net Issue Proceeds

The proposed utilisation of the Fresh Issue Proceeds is set forth in the table below:

Sr. No.	Particulars	(₹) in lakhs
1)	Funding incremental working capital requirements of our Company	9,500.00
2)	Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility (“Khalapur, Maharashtra”)	2,915.54
3)	Funding capital expenditure requirements for our Refrigerant debulking & blending facility (“Mambattu, Andhra Pradesh”)	2,117.53
4)	General Corporate Purposes*	[●]
	Total	[●]

*The amount to be utilized for general corporate purposes will not exceed 25.00% of the Fresh Offer Proceeds.

Details of Utilization of Issue Proceeds

1) Working Capital Requirement

Our business is working capital intensive and from our past experiences it is evident that Inventory and Receivables are the major part of the working capital, most of the working capital is required to hold the inventories and receivables. We fund our working capital through internal accruals and short term borrowing to sustain the business operations. Going forward we estimate incremental revenue from the current business as well as business from expansion in Khalapur and Mambattu which shall add to significant requirement of working capital to support the growth strategy of our management.

Based on our historical operation performance and assumption on our growth strategies, we have estimated our working capital requirement for fiscal 2025 and fiscal 2026 to be ₹ 2,039.84 lakhs and ₹ 11,825.27 lakhs respectively. The requirement for fiscal 2025 will be funded through internal accruals.

Whereas, we propose to utilize ₹ 9,500 lakhs for fiscal 2026 from the fresh issue proceeds and balance of ₹ 2,325.27 lakhs to be funded through internal accruals.

Basis of estimation of working capital requirement

Our working capital requirement has been prepared based on management view on the current business operations as well as future growth opportunities and strategies, while considering the organic growth and future growth opportunities in the industry segment.

The details of the Company’s working capital requirements, based on restated financial for Fiscal 2022, Fiscal 2023, Fiscal 2024 and for six month period ending September 2024 and its source of funding of the same are provided in the table below:

Historical Working Capital Requirement on Restated Standalone Basis

Particulars	As on March			(₹ in lakhs)
	2022	2023	2024	September 30, 2024
Current Assets				
Inventories	4,303.41	4,159.80	9,095.58	10,745.47
Trade Receivables	2,847.85	4,239.50	7,103.62	7,634.41
Other Financial Assets	0.10	0.10	3.98	3.98
Other Current Assets	637.98	958.81	643.58	1,110.91
Total Current Assets	7,789.33	9,358.21	16,846.76	19,494.77
Current Liability				
Trade Payable	2,894.44	2,383.43	374.15	704.55
Other Current Liabilities	53.61	30.88	166.96	185.56

Particulars	As on March			September 30, 2024
	2022	2023	2024	
Provisions	3.59	1,032.53	1,047.32	1,052.54
Current Tax Liabilities	481.45	246.75	364.28	35.34
Total Current Liabilities	3,433.09	3693.59	1,952.71	1,977.99
Net Working Capital	4356.25	5664.62	14,984.05	17,516.78
Change in Working Capital	1546.86	1308.37	9,224.43	2,622.73
Funding Pattern				
Borrowings	20.44	298.25	4,827.52	5,821.47
Internal Accruals	4335.81	5366.37	10,066.53	11,695.31

Projected Working Capital Requirement

(₹ in lakhs)

Particulars	As on March 31	
	2024-25	2025-26
Current Assets		
Inventory	9,570.87	16,256.85
Trade Receivables	8,791.30	14,869.02
Other Current Assets*	1,078.86	1,829.75
Total Current Assets	19,441.03	32,955.62
Current Liability		
Trade Payable	1,840.55	3,126.32
Other Current Liabilities**	666.59	1,070.14
Total Current Liability	2,507.15	4,196.46
Net Working Capital	16,933.88	28,759.16
Working Capital Requirement	2,039.84	11,825.27
Funding Pattern		
Internal Accruals	2,039.84	2,325.27
IPO Proceeds	-	9,500.00
Total	2,039.84	11,825.27

* Includes other current assets and other financial assets

** Includes other current liabilities, provisions and current tax liabilities

As per report dated December 07, 2024 issued by Mahesh M. Shah, Company, Chartered Accountants.

The Statutory Auditor has provided no assurance or services related to any prospective financial information.

Considering the existing and future growth, the projected working capital requirement of our Company, is expected to reach ₹ 2,039.84 Lakhs and ₹ 11,825.27 Lakhs for the Fiscal 2025 and Fiscal 2026, respectively.

For fiscal 2025, our working capital requirement of ₹ 2,039.84 lakhs is proposed to be funded through internal accruals.

For fiscal 2026 our working capital requirement is ₹ 11,825.27 lakhs, we propose to meet part of our working capital requirement of ₹ 9,500.00 lakhs from Proceeds of the fresh Offer and balance ₹ 2,325.27 from internal accruals.

Key assumptions for working capital projections made by our Company:

Holding levels

Particulars	Holding Levels (in days)					
	As on March (Historical)				As on March (Estimated)	
	2021-22	2022-23	2023-24	September 30, 2024	2024-25	2025-26
Inventory Days	113	80	178	185	130	130
Trade Receivables Days	56	69	111	99	90	90

Trade Payable Days	76	46	7	12	25	25
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Key assumption and Justification for holding levels and Working Capital Requirements:

Sr. No.	Particulars	Assumptions
Current Assets		
1.	Inventories	Inventories include raw materials and finished goods. The historical holding days of inventories (calculated as closing inventory on balance sheet date divided by cost of goods sold over 365 days) has been in range of 113 to 178 days during the last three financial years, for the period ending September 2024 it was 185 days. Company estimates inventories holding days to be around 130 days each in Fiscal 2025 and Fiscal 2026.
2.	Trade Receivables	The historical holding days of trade receivables (calculated as closing trade receivables divided by revenue from operations over 365 days) has been in the range of 56 days in Fiscal 2021 to 111 days in Fiscal 2024 and for the period ending September 2024 it was 99 days. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors anticipated at 90 days each during Fiscal 2025 and Fiscal 2026.
3.	Other Current Assets	Other current assets majorly comprise of advance to suppliers, balances with statutory/governmental authorities, advance to employees and prepaid expenses. We expect the growth in other assets to be in line with the expected growth in business. Historically other current assets days were in the range of 10 to 14 days and we expect to be 11 days each for fiscal 2025 and fiscal 2026
Current Liabilities		
1.	Trade Payables	Past trend of trade payable holding days (calculated as closing trade payables as on balance sheet date divided by cost of goods sold over 365 days) has been in the range of 76 days in the fiscal 2022 to 7 days in fiscal 2024 and 12 days for six month period ending September 2024. However, the Company intends to maintain trade payable in the range of 25 days each for fiscal 2025 and fiscal 2026.
2.	Other Current Liabilities	Other liabilities primarily include advances received from customers, provisions and statutory dues. We expect the growth in other liabilities to be in line with the expected growth in business. We have estimated other liabilities days to be 7 days and 6 days for fiscal 2025 and fiscal 2026 respectively.

As per report dated December 07, 2024 issued by Mahesh M. Shah, Company, Chartered Accountants.

Key Justification for the Working Capital Requirements in past three years i.e. Fiscal 2022, Fiscal 2023, Fiscal 2024, six month period ended September 30, 2024 and projected for Fiscal 2025 and Fiscal 2026

Justification for Working Capital in Historical Period:

- **Fiscal 2022:** Working capital requirement in this fiscal was ₹ 1,546.86 lakhs. This was mainly due to accumulation of higher level of inventory of ₹ 4,303.41 lakhs compared to ₹ 3,248.81 lakhs in previous fiscal. Also, to further tightening, Trade payable in days and amount have reduced sharply to 76 days and to ₹ 2,894.44 lakhs, this squeeze of credit days and higher inventory and receivables has created the need for working capital.
- **Fiscal 2023:** The working capital requirement for Fiscal 2023 amounted to ₹ 1,308.37 lakhs, which was lower than that of ₹ 1,546.86 recorded in Fiscal 2022. During Fiscal 2023, the prices of gases and specialty chemicals reached their peak compared to Fiscal 2022. The deceleration in prices compelled the company to adopt a strategy of selling its products at lower prices to navigate the challenging market conditions, consequently exerting a detrimental impact on the profit margins. To sustain the financial performance, the company found it necessary

to uphold its sales volume by extending the credit period to customers, shifting from 56 days in Fiscal 2022 to 69 days in Fiscal 2023. However, increased volumes have lowered the inventory days from 113 days in fiscal 2022 to 80 days in fiscal 2023. On another side, payables days decreased to 46 days in Fiscal 2023 from 76 days in Fiscal 2022 due to demand for payments for trade creditors. Major reduction in working capital requirement was mainly due to increase in provision from ₹ 3.59 lakhs in fiscal 2022 to ₹ 1,032.53 lakhs in fiscal 2023.

- **Fiscal 2024:** Major disruption in shipments and incoming material due to the implementation and reduction in quota's in China which saw lot of the ordered material coming in late post the peak selling period. Additionally, the Red sea issue with Yemen rebels disrupting shipping in red sea saw all shipping cycles delayed by 30 to 60 days causing most planning to go haywire and also required us to maintain higher buffer stock of all products to meet the demand, inventory days have gone up to 178 days. While trade receivables have increased to 111 days owing to downward pressure on prices. Payables have decreased to 7 days due to adjustment of trade payables on account of arrangement of slum sale happened September 2023. Total working capital requirement for fiscal 2024 was ₹ 9,229.43 lakhs impacted from accumulation of higher inventory and receivables on account of slum sale.
- **Six month period ending September 2024:** During six month period ending September 2024, working capital requirement for the said period was ₹ 2,622.73 lakhs. During this period inventory holding days had increased from 178 days in fiscal 2024 to 185 days as on September 2024. However, better realization have reduced the Receivable days from 111 days in fiscal 2024 to 99 days for six month period ending September 2024.

Justification for Working Capital in Projected Period:

Across the industry, the period from 2024 to 2026 marks a critical phase in the quota calculation cycle for the concerned segments, where the average sales over these three years will be used to determine the manufacturing and import quotas for the foreseeable future. These quotas will set the baseline for production and import capacities for the next two decades, making this period crucial for businesses seeking to maximize their market share and operational scale.

Due to the long-term implications of these quotas, there is substantial pressure on pricing strategies during this period. Companies are compelled to push for the highest possible sales figures, even if it means sacrificing margins, to secure a favorable quota. The logic is simple: higher sales volumes during this period directly translate into higher future quotas, thereby ensuring a competitive advantage in the coming years.

These developments going forward will push volumes, and current assets and current liabilities going forward to sustain the competitive market along with domestic pricing pressure.

Also, the strategic move of setting-up manufacturing facility near Sricity is poised to unlock growth in the South India market, where the company currently has a smaller presence and garners only a limited percentage of its total revenues. The concentration of user industries for refrigerants in the Tirupati-Sricity belt positions the company for substantial revenue expansion, particularly from industries emphasizing just-in-time logistics and uninterrupted supplies. Company estimates to receive highly consistent order flows from the plant proposed to be set-up at Sricity area to cater to the South Market with the proximity advantage. In addition, on boarding of new clients, the growth of business in the existing as well as new customers will lead to higher receivables and inventory levels for fiscal 2024-25 and fiscal 2025-26.

These factors will result in higher projected working capital requirement to meet the domestic competition from local players as well as to feed the new expansion plan going forward.

- **Fiscal 2025:** Working capital requirement for fiscal 2025 is projected to be ₹ 2,039.84 lakhs. We expect sales volume to be on higher side due to quota impact across the industry. Accordingly, we have estimated inventory levels to be ₹ 9,570.87 lakhs in fiscal 2025 from ₹ 9,095.58 lakhs in fiscal 2024. Receivables will increase from ₹ 7,103.62 in fiscal 2024 to ₹ 8,791.30 lakhs for fiscal 2025.
- **Fiscal 2026:** Working capital requirement for fiscal 2026 is projected to be ₹ 11,825.27 lakhs. We expect higher revenues from new project in Sricity, as plant is expected to run on optimum capacity for full year and sales

quota war will push every player in the industry to generate higher sales. This industry trend will create pressure on prices which will lead to generate higher receivables and inventory to meet the increased sales volume. With increase in sales volume, we expect inventory level to increase from ₹ 9,570.87 lakhs in fiscal 2025 to ₹ 16,256.85 lakhs in fiscal 2026, with holding level to be at 130 days for fiscal 2026. Trade receivable is projected to be ₹ 14,869.02 lakhs increased by ₹ 6,077.72 lakhs from fiscal 2025 with receivable days to be 90 days. Payables days are expected to be at 25 days.

ANALYSIS OF CURRENT ASSETS:

a) Movement of Inventory

Particulars	Unit	As on March (Actual)			Sep-24	As on March (Projected)	
		2021-22	2022-23	2023-24		2024-25	2025-26
Inventory	₹ in Lakhs	4,303.41	4,159.80	9,095.58	10,745.47	9,570.87	16,256.85
(Increase)/Decrease in Inventories	₹ in Lakhs	(1,054.60)	143.61	(4,935.78)	(1,649.90)	(475.29)	(6,685.98)
Inventory Period	Days	113	80	178	185	130	130
Increase/(Decrease) in Inventories	Days	(15)	(33)	98	8	(48)	-

Historical Period:

In fiscal 2022, inventory has increased to ₹ 4,303.41 lakhs while the same stood at ₹ 4,159.80 lakhs in fiscal 2023 declined by ₹ 143.61 lakhs. In fiscal 2024 the same has increased by ₹ 4,935.78 lakhs to ₹ 9,095.58 lakhs and for September 2024 it has increased to ₹ 10,745.47 lakhs. We have seen that inventory days have increased from 113 days in fiscal 2022 to 185 days for September 2024.

Rational: Rise in inventory was resulted from increase in sales volume as well as disruption in supply chain has forced to keep higher levels of inventory due to delayed deliveries of raw material. The presence of licensing norms for the import of HFCs, aligned with the Kigali Global Accord on greenhouse gases, necessitates a licensing and monitoring mechanism in all countries, including India. The government of India issues import and export licenses through DGFT, mirroring practices in other exporting countries. This regulatory framework introduces delays and extends lead times between payments and the receipt of goods. The company has historically experienced an average lead time of 6 to 8 weeks between order placement and material receipt, emphasizing the necessity for higher holding levels particularly during peak supply months from February to May.

Projected Period:

For fiscal 2025, our company expected to increase sales volume and to support the increased volume, we project inventory level of ₹ 9,570.87 lakhs in fiscal 2025. For fiscal 2026 we have projected an increase of inventory by ₹ 6,685.98 lakhs to ₹ 16,256.85 lakhs in fiscal 2026. The inventory days are expected to be at around 130 days in fiscal 2025 and fiscal 2026.

Rational: The presence of licensing norms for the import of HFCs, aligned with the Kigali Global Accord on greenhouse gases, necessitates a licensing and monitoring mechanism in all countries, including India. The government of India issues import and export licenses through DGFT, mirroring practices in other exporting countries. This regulatory framework introduces delays and extends lead times between payments and the receipt of goods. The company has historically experienced an average lead time of 6 to 8 weeks between order placement and material receipt, emphasizing the necessity for higher holding levels in Fiscal 2024, particularly during peak supply months from January/February to May/June. Also requirement for inventory will rise for Fiscal 2025 & 2026 in accordance with setting-up refrigerant debulking & blending facility in Mambattu, near Sri city, Tirupati district of Andhra Pradesh and new specialty gas plant at Khalapur, Maharashtra. On the basis of historical lead time that varies from 120 days to 80 days company has estimated inventory days to remain at 130 days for the projected period.

b) Movement of Trade Receivables:

Particulars	Unit	As on March			Sep-24	As on March (Projected)	
		2021-22	2022-23	2023-24		2024-25	2025-26
Receivables	₹ in Lakhs	2,847.85	4,239.50	7,103.62	7,634.41	8,791.30	14,869.02
(Increase)/Decrease in Receivables	₹ in Lakhs	6,254.60	(1,391.65)	(2,864.12)	(530.79)	(1,687.69)	(6,077.72)
Receivable Period	Days	56	69	111	99	90	90
Increase/(Decrease) in Receivables	Days	(226)	13	43	(12)	(21)	-

Historical Period:

For fiscal 2022, our receivables declined by ₹ 6,254.60 lakhs to ₹ 2,847.85 lakhs whereas receivables days have reduced to 56 days. Receivables have increased to ₹ 7,103.62 lakhs in fiscal 2024 compared to ₹ 4,239.50 lakhs in fiscal 2023. For September 2024, our receivable increased by ₹ (530.79) lakhs to ₹ 7,634.41 lakhs due to peak season demand .

Rational: Fiscal 2021-22 receivables have decreased significantly due to realisation of trade receivables, though the demand was peaked for the products. Fiscal 2022-23 was downturn in Fluorochemicals and related gases sector post peaked out levels in Fiscal 2021-22, due to which company resorted to extend credit period to customers to maintain the sales volume and credit period increased. The receivable days gone up by 13 days to 69 days in fiscal 2023 compared to 56 days in fiscal 2022. In the same fashion receivable days for fiscal 2024 gone up to 111 days and for six month period ended September 30, 2024 the days settled at 99 days.

Projected Period:

For fiscal 2025 and fiscal 2026, receivables are projected to be on higher levels and our company has estimated receivables of ₹8,791.30 lakhs in fiscal 2025 and ₹14,869.02 lakhs for fiscal 2026. The days have been projected to be at 90 days for fiscal 2025 and fiscal 2026 as compared to historical average.

Rational: For fiscal 2025 and fiscal 2026, receivables are projected to be on higher levels due to increase in sales volume generated from existing business as well as new facility. As already mentioned about the expansion, our company estimates to receive highly consistent order flows from the plant proposed to be set-up Mambattu, Andhra Pradesh to cater to the South Market with the proximity advantage and specialty gas plant in Khalapur, Maharashtra. In addition, on boarding of new clients, organic growth of business from existing customers as well as new customers will lead to higher receivables for Fiscal 2025 and Fiscal 2026.

c) Movement of Total Other Current Assets/OCA:

Particulars	Unit	As on March (Actual)			Sep-24	As on March (Projected)	
		2021-22	2022-23	2023-24		2024-25	2025-26
Other Assets*	₹ in Lakhs	638.08	958.91	647.56	1,114.89	1,078.86	1,829.75
(Increase)/Decrease in OA	₹ in Lakhs	119.47	(320.83)	311.35	(467.33)	(431.30)	(750.89)
Other Assets	Days	13	16	10	14	11	11
Increase/(Decrease) in OA	Days	(11)	3	(5)	4	1	-

*Includes other current assets and other financial assets

Historical Period:

Other Assets includes Other current assets and other financial assets primarily consists of advances for supplies, advances with public bodies and tax authorities, prepaid expenses and Term & security deposits. Other assets has been reported at ₹638.08 lakhs in fiscal 2022 with 13 days while it was ₹958.91 lakhs with 16 days in fiscal 2023 and Rs 647.56 lakhs and ₹1,114.89 lakhs in fiscal 2024 and September 2024 respectively with 10 days and 14 days respectively.

Rational: Other assets as a current asset has moved in tandem with the business operations and turnover of our company, higher the revenue has secured higher advances for supplies and tax authorities.

Projected Period:

Other assets for fiscal 2025 and fiscal 2026 is projected to be ₹1,078.86 lakhs and ₹1,829.75 lakhs respectively. This has been estimated at conservative 11 days for fiscal 2025 and fiscal 2026.

Rational: As our management projected the rise in sales volume due to organic growth of existing business and revenue from two new facilities, the additional volume from new facilities will result to additional raw material consumptions hence we have estimated that advances for supplies will rise in tandem to support volumes.

ANALYSIS OF CURRENT LIABILITIES**a) Movement of Trade Payables:**

Particulars	Unit	As on March (Actual)			Sep-24	As on March (Projected)	
		2021-22	2022-23	2023-24		2024-25	2025-26
Trade Payables	₹ in Lakhs	2,894.44	2,383.43	374.15	704.55	1,840.55	3,126.32
Increase/(Decrease) in Trade Payables	₹ in Lakhs	(7,100.17)	(511.01)	(2,009.28)	330.41	1,466.40	1,285.77
Trade Payables	Days	76	46	7	12	25	25
Increase/(Decrease) in Trade Payables	Days	(318)	(30)	(39)	5	18	-

Historical Period:

Payables were reported at ₹2,894.44 lakhs for fiscal 2022, this has further declined to ₹2,383.43 lakhs and by ₹511.01 lakhs in fiscal 2023. Payables for fiscal 2024 was at ₹374.15 lakhs and for September 2024 it was reported at ₹704.55 lakhs. Days have declined from 76 days in fiscal 2022 to 7 days and 12 days to fiscal 2024 and September 2024 respectively.

Rational: Post Covid, in fiscal 2022 credit days have gone down due to prompt payment to suppliers for raw material this have resulted in outflow of funds for fiscal 2022 and fiscal 2023. However, in fiscal 2024, decline in payables was primarily due to setoff of payables arising out of slum sales arrangement happened in September 2023.

Projected Period:

Payables are projected to be at ₹1,840.55 lakhs in fiscal 2025 to ₹3,126.32 lakhs in fiscal 2026. Also payables days are projected to be 25 days for fiscal 2025 and fiscal 2026.

Rational: Credit period from the fiscal 2025 to fiscal 2026 will be lower than historical average and estimated to be 25 days. However, increase in trade payable will result from increase in requirement for raw material to supplement the estimated organic growth from existing business and to feed the requirement of new business operation, the trade payable is projected to increase.

b) Movement of Total Other Current Liabilities/OCL:

Particulars	Unit	As on March (Actual)			Sep-24	As on March (Projected)	
		2021-22	2022-23	2023-24		2024-25	2025-26
Other Liabilities**	₹ in Lakhs	538.65	1,310.15	1,578.56	1,273.44	666.59	1,070.14
Increase/(Decrease) in OL	₹ in Lakhs	233.84	771.50	268.41	(305.13)	(911.97)	403.55
Other Liabilities	Days	11	21	25	17	7	6
Increase/(Decrease) in OL	Days	11	11	3	(8)	(18)	(1)

** Includes other current liabilities, provisions and current tax liabilities

Historical Period:

For fiscal 2022 other liabilities increased by ₹ 233.84 lakhs due to increase in current tax liabilities by ₹ 262.93 lakhs, in fiscal 2023 liabilities has increased by ₹ 771.50 lakhs primarily on account of increase in provision of ₹ 1,028.77 lakhs. Fiscal 2024 saw marginal increase in liabilities by 268.41 lakhs due to increase in current tax liabilities, provisions and other current liabilities. However, there was decrease of ₹ 305.13 lakhs in September 2024 due to lower current tax liabilities.

Rational: Items of other current liabilities and current tax liabilities majorly contributed by Advances from customers and provision for income tax respectively. Profit before taxes increased to ₹ 3,007.09 lakhs in fiscal 2021-22, which resulted to rise in provision for income taxes. In fiscal 2022-23 the provisions for ₹ 1043.25 were created due to claims not acknowledged as debt and the impact of them goes through Fiscal 202.4 Stub period September 2024 has seen decrease in total current liabilities which was majorly contributed fall in current tax liabilities by ₹ 328.94 lakhs.

Projected Period:

For the Fiscal 2025, total other current liabilities are estimated to decrease by ₹ 911.97 lakhs from fiscal 2024. For fiscal 2026, it is projected to rise by ₹403.55 lakhs.

Rational: Items of other current liabilities and current tax liabilities majorly contributed by Advances from customers and provision for income tax. Our management expect to decrease other liabilities days in fiscal 2025 and fiscal 2026 to 7 days and 6 days respectively. Prompt payment to tax authorities and normal provisions would reduce the other liabilities.

2) Funding capital expenditure requirements for our Semi-conductor & Specialty Gas debulking & blending facility (“Khalapur, Maharashtra”)

Currently, we operate a processing, blending, and debulking facility for refrigerant gases at Gat no.11, Hissa No 9 & 11, Lohop Village, Taluka - Khalapur, District Raigad - 410207. This facility also serves as a distribution center for pre-filled cans. In line with our commitment to meeting growing market demands and diversifying our product portfolio, we intend to establish a Semiconductor & Specialty Gas debulking and blending facility in Khalapur, Maharashtra.

Land

The proposed facility will be situated on our existing owned land (Non-Agricultural land) at Gat no.11, Hissa No 9 & 11, Lohop Village, Taluka - Khalapur, District Raigad – 410207, as well as on land taken on lease which is situated at Gat no.11, Hissa no 19 & 20 and Gat No. 12 Hissa No. 1, Lohop Village, Taluka-Khalapur, District Raigad – 410207, Maharashtra. This land is leased by the Promoter, Mr. Shazad Sheriar Rustomji, for a duration of 24 months, effective from October 01, 2023. Our investment aims to enhance our production capacities and further solidify our position in the market.

Rationale for Establishing a dedicated Specialty and Semiconductor Gas Plant in Khalapur, Distinct from the Existing Facility:

- a) The current Khalapur Plant is specifically designed for debulking, blending, bottling, and storage of HFC and HFO refrigerants, lacking the necessary infrastructure for handling Specialty and Semiconductor Gases.
- b) The infrastructure at the existing Khalapur facility, including bulk storage tanks, processes, and storage containers, is tailored exclusively for HFC & HFO refrigerants. This setup is fundamentally different from what is essential for the specialized requirements of Specialty and Semiconductor Gases.
- c) The pumps, compressors, and equipment utilized for Semiconductor gases differ significantly from those employed for HFC refrigerants, necessitating a distinct facility to accommodate these variances.
- d) Semiconductor Gases demand further purification to attain semiconductor-grade purity, a process that requires specialized equipment not currently available in the existing Khalapur Plant.
- e) Each Semiconductor gas requires equipment tailored to its unique specifications, ensuring no cross-contamination on a particulate level. This specificity mandates a separate facility to maintain the integrity of each gas.
- f) Semiconductor gases, characterized by their high purity levels (99.99%), prohibit any mixing with other gases. To uphold these standards and prevent contamination, a dedicated facility is imperative.
- g) Handling Specialty gases, especially during the debulking of cryo containers and cryogenic ISO Tanks, demands a specialized facility employing cryogenic methods. Cryogenics involves the study of material production and behavior at extremely low temperatures, a critical aspect for ensuring safe and efficient handling of these gases in liquid form.

Capacity and Schedule of implementation

The installed capacity of the Proposed Facility is proposed to be an aggregate of 1,200 MT per annum as per the certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer and is expected to commence commercial operations by November 10, 2025.

The expected schedule of implementation of the Proposed Facility is set forth below:

Activities	Status /expected Commencement date	Expected completion date
Acquisition of Land	Completed	
Design & Engineering Activities	March 01, 2025	March 15, 2025
Delivery of Liquid and Gas Handling Pumps and Compressors	March 01, 2025	September 01, 2025
Obtaining approval from PESO, Nagpur	March 16, 2025	June 15, 2025
Application for NOC from District Authority & all local departments	March 16, 2025	June 15, 2025
Supply of Gas Storage Tanks/Cylinders to site including transit time from Mumbai to site	March 16, 2025	August 20, 2025
Civil construction activities for the Gas Filling and Storage facility	April 15, 2025	August 01, 2025
Delivery of all other items to site	April 16, 2025	August 01, 2025
Erection of all equipment / hook up piping / safety fittings / gauges / instruments / testing of the circuit	June 15, 2025	August 30, 2025
Cabling / erection of panel / trials of electrical & instrumentation scope	June 15, 2025	August 30, 2025
Inspection by PESO approved Competent Person & Final Certification as per Rule 33 of the SMPV Rules	September 01, 2025	October 01, 2025
Application for final license & processing of papers at PESO, Nagpur & final inspection by Zonal PESO office	September 01, 2025	October 30, 2025

Activities	Status /expected Commencement date	Expected completion date
Final Inspection by PESO, Regional Office & Endorsement of the license / Charging with Product / Training / Handover / Completion		October 30, 2025
Initiation of Commercial Production		November 10, 2025

The aforementioned schedule of implementation is based on the management estimates and as per Certificate dated December 01, 2024 issued by M Rajeev Kumar Gupta, Independent Chartered Engineer.

Utilities

The Proposed Facility is located within an industrial area notified under the Maharashtra Industrial Development Act, 1961. The requirements for power for the Proposed Facility shall be obtained from Maharashtra State Electricity Distribution Company limited.

Means of finance

The total estimated cost for setting up of the Proposed Facility is approximately ₹2,915.54 lakhs. We intend to fund the estimated cost of setting up the Proposed Facility from the Fresh Issue proceeds.

Estimated Cost

The total estimated cost of the Proposed Facility is ₹2,915.54⁽¹⁾ lakhs, as per Certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer and we propose to utilize ₹2,915.54 lakhs from the Net Proceeds of the Issue. The intended use of the Net Proceeds, for the Proposed Facility, as described herein are based on our current business plan, internal management estimates, current and valid quotations from suppliers / vendors, and other commercial and technical factors. However, such estimated cost and related fund requirements have not been appraised by any bank or financial institution. Further, no second-hand or used machinery/ equipment are proposed to be purchased out of the Net Proceeds.

We intend to use part of the Net Proceeds allocated for this Object as set out below:

		(₹ in lakhs)
Sr. No.	Particulars	Total estimated cost
1)	Construction of Factory shed and Land development	481.85
2)	Construction of Reinforced Cement Concrete Warehouse and Land development	839.99
3)	Plant and Machinery	1,593.70
	Total	2,915.54⁽¹⁾

⁽¹⁾ Total estimated cost as per Certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer in respect of the Proposed Facility.

Break-up of the estimated costs

The detailed breakup for the cost of project is as follows:

Construction of Factory Shed & Land Development

		(₹ in lakhs)
Expense Category and Purpose		Total Cost
Factory Shed of 10,000 Sq. ft.		145.00
Construction of RCC Fire Tank		28.00
Construction of RCC Retainer Wall		107.10
Road Soiling and Tar Work		28.80
Landscape Planning		9.75
Installation of Razor Wire		5.60
Sliding Windows (20 nos.)		7.20
Electrical Connection (150 KV)		14.00
Electric Hoist of 3 MT		5.00
Compressor Room for Factory Shed		7.20
Lab (400 sq. ft.)		8.00

Expense Category and Purpose	Total Cost
Office (400 sq. ft.)	8.00
Store Room	4.20
Septic Tank	3.50
Water Closet (2)	4.00
Digging of Bore well with Pump, 50,000 liters & Security Cabin	11.00
Government, Licence and Professional Fees	12.00
Total GST on above products / services (18%)	73.50
Total (including GST)	481.85

Note: The above quotations are received from M/s Shree Krupasindhu Enterprises dated July 25, 2024 which are valid till March 31, 2025

Construction of Reinforced Cement Concrete Warehouse and Land development

Expense Category and Purpose	Total Cost
Construction of a 20,000 Sq. ft. Storage RCC warehouse	490.00
Road Soiling and Tar Work	21.60
Landscape Planning	5.01
Razor Wire	6.00
Sliding Windows (32 nos.)	11.52
Goods Lift	36.00
Construction of RCC Retainer Wall	61.34
Electrical Connection (25 KV)	3.00
Electrical Wiring with Safety Switch	5.00
Electric Panels and Equipments	10.00
Restrooms	16.00
Store Room	5.60
Office (400 Sq. ft.)	8.00
Septic Tanks	3.50
Water Closets (2)	4.00
Silent Generator	4.30
50,000 liters Water Tank & Security Cabin	9.00
Government, Licence and Professional Fees	12.00
Total GST on above products / services (18%)	128.13
Total (including GST)	839.99

Note: The above quotations are received from M/s Shree Krupasindhu Enterprises dated July 25, 2024 which are valid till March 31, 2025.

Plant & Machinery

Expense Category and Purpose	Total Cost
Low Pressure Atmospheric Vaporizer	7.50
Two Stage Oil Sealed, Rotary Vane Vacuum Pump	6.00
Safety Relief Valve	4.00
Oxygen Analyzer	10.00
Moisture Analyzer	10.50
Gas Chromatography	45.00
High Pressure Tubing And Fittings (300 Bar)	25.00
Cylinder Filling Hoses	5.20
Cascade Filling Hose	7.50
Cylinder Filling Panel With Valves	12.00
Quad Filling Panel With Valves	3.50
HP Shutoff Valve	2.00
Low Pressure Piping Fabrication Work And High Pressure Tubing Work Labour Charges	7.50
Pipe, Tube Clamps, Supports , Profile And Hardware	2.00
PCC, MCC, APFC	8.00
Electrical Cabling Work And Lighting Work Including Material Supply And Installation Job	25.00
Statutory Approvals (PESO, Factory Inspector, Pollution Control Board, Fire NOC)	12.00
15 KVA UPS For Lab	6.00

Expense Category and Purpose	Total Cost
Electronics Weigh Scale	2.50
SS316 Pipe And Fitting	10.00
Buffer Tank	15.00
Cryogenic Valves, Regulators	15.00
Line Regulators	4.00
Compressor	140.00
Tanker Gas Hose & Liquid Filling Hose	8.50
Cylinder & Quad Filling Setup	120.00
Local Purchases	5.00
Liquid Filling Dewars / Container 250 Liters	325.00
Cylinder Cascade	267.90
Loose Cylinders 50 Liters @200 Bar	60.00
Forklift 10 Ton	25.00
Consultancy & Installation Charges	200.00
Helium Gas Purifier	50.00
Silent Generator 140-160 KVA	12.00
Total GST on above products / services (18%)	243.10
Total (including GST)	1593.70

Note: The above quotations are received from M/s Universal Welding and Engineering Company dated July 09, 2024 which are valid till March 31, 2025

Government approvals

In relation to the project, we are required to obtain certain approvals post-construction and the necessary approvals for the Project shall be procured as and when they are required and shall be met from the intenal accruals in accordance with applicable law as stated below;

Authority	Approval for	Stages at which approval is required	Status
Maharashtra Pollution Control Board (MPCB)	Consent to Establishment (CTE)	An application was made for adding the additional location i.e Gut no. 12 hissa no.1 to the current certificate on April 28, 2024.	Received on May 22, 2024
Directorate of Industrial Safety and Health, MIDC	Factory Act License	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Maharashtra Pollution Control Board (MPCB)	Consent to Operate (CTO)	Routine approval. Before the commissioning of the factory operations	Yet to be applied
License from Petroleum and Explosives Safety Organization	Storage of Compressed gases in Pressure Vessels	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Maharashtra Fire Services, Government of Maharashtra	Fire Safety to life and property	Routine approval. Before the commissioning of the factory operations	Yet to be applied

As per Certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer.

3) Funding capital expenditure requirements for our Refrigerant debulking & blending facility (“Mambattu, Andhra Pradesh”)

We already have facilities in Khalapur, Panvel, Ghiloth and Manesar (collectively “North and West region of India”) for processing, blending and debulking of refrigerant gases and selling of pre filled cans. Further, North, West and South are dominating regions in usage of gases and is expected to maintain its dominance.

In a strategic move to expand our presence in south, the company is proposing the establishment of a new plant in Mambattu, Andhra Pradesh. This expansion is designed to cater to the southern region of India, complementing the company's existing facilities in North and West region of India. The plant will be set up for Refrigerant debulking & blending facility and storage of HFC and HFO refrigerant and their blends.

Land

We have acquired the land (Non-Agricultural land) from Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) situated at Plot no.2, Industrial Park Mambattu Phase-II in Sy. no. 165-173 & 174P, I75P, I76-178,190P & 204 of Mambattu (V), Tada Mandal, Tirupathi district -524401, Andhra Pradesh admeasuring 19,628.00 Sq. Mtrs. or 23,474.89 Sq. yards or 4.85 acres for setting up unit for our Refrigerant debulking & blending facility pursuant to agreement dated June 27, 2024. The proceeds of the fresh offer shall not be recouped towards acquisition of land.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the land on which this Project is being built.

For further details, please see “Risk Factor no. 6 *“We currently propose to establish a new facility in Mambattu, Andhra Pradesh and expand our existing plant in Khalapur, Maharashtra. Any delays in new facilities setup, due to unforeseen events, may lead to cost overruns and implementation delays, impacting our business growth”* on page 28 of this Red Herring Prospectus.

Capacity and Schedule of implementation

The installed capacity of the Proposed Facility is proposed to be an aggregate of 7,200 MT per annum as per the certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer and is expected to commence commercial operations by November 10, 2025.

The expected schedule of implementation of the Proposed Facility is set forth below:

Activities	Status /expected Commencement date	Expected completion date
Acquisition of Land	Completed	
Design & Engineering Activities	March 01, 2025	March 01, 2025
Delivery of Liquid and Gas Handling Pumps and Compressors	March 01, 2025	March 01, 2025
Obtaining approval from PESO, Nagpur	March 16, 2025	March 16, 2025
Application for NOC from District Authority & all local departments	March 16, 2025	March 16, 2025
Supply of Gas Storage Tanks/Cylinders to site including transit time from Mumbai to site	March 16, 2025	March 16, 2025
Civil construction activities for the Gas Filling and Storage facility	April 15, 2025	April 15, 2025
Delivery of all other items to site	April 16, 2025	April 16, 2025
Erection of all equipment / hook up piping / safety fittings / gauges / instruments / testing of the circuit	June 15, 2025	June 15, 2025
Cabling / erection of panel / trials of electrical & instrumentation scope	June 15, 2025	June 15, 2025
Inspection by PESO approved Competent Person & Final Certification as per Rule 33 of the SMPV Rules	September 01, 2025	September 01, 2025
Application for final license & processing of papers at PESO, Nagpur & final inspection by Zonal PESO office	September 01, 2025	September 01, 2025
Final Inspection by PESO, Regional Office & Endorsement of the license / Charging with Product / Training / Handover / Completion	October 30, 2025	
Initiation of Commercial Production	November 10, 2025	

The aforementioned schedule of implementation is based on the management estimates and as per Certificate dated December 01, 2024 issued by M Rajeev Kumar Gupta, Independent Chartered Engineer.

Utilities

The Proposed Facility is located within an industrial area approved by the Andhra Pradesh Industrial Infrastructure Corporation Limited. The requirements for power for the Proposed Facility shall be obtained from Transmission Corporation of Andhra Pradesh Limited.

Means of finance

The total estimated cost for setting up of the Proposed Facility is approximately ₹2,117.53 lakhs. We intend to fund the estimated cost of setting up the Proposed Facility from the Fresh Issue proceeds.

Estimated Cost

The total estimated cost of the Proposed Facility is ₹2,117.53⁽¹⁾ lakhs, as per Certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer and we propose to utilize ₹2,117.53 lakhs from the Net Proceeds of the Issue. The intended use of the Net Proceeds, for the Proposed Facility, as described herein are based on our current business plan, internal management estimates, current and valid quotations from suppliers / vendors, and other commercial and technical factors. However, such estimated cost and related fund requirements have not been appraised by any bank or financial institution. Further, no second-hand or used machinery/ equipment are proposed to be purchased out of the Net Proceeds.

We intend to use part of the Net Proceeds allocated for this Object as set out below:

(₹ in lakhs)		
Sr. No.	Particulars	Total estimated cost
1)	Factory Premises & Construction	1,501.74
2)	Plant and Machinery	615.79
	Total	2,117.53⁽¹⁾

⁽¹⁾ Total estimated cost as per Certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer in respect of the Proposed Facility.

Break-up of the estimated costs

The detailed breakup for the cost of project is as follows:

Factory Premises & Construction

Expense Category and Purpose	Total Cost (₹ in lakhs)	Date of Quotation	Validity of Quotation	Quotation received from
FACTORY SHED A				
Footing Earth work	4.50	July 27, 2024	June 30, 2025	Sri Ganesh PEB Engineering
Quarry Dust Filling	4.50			
PCCM	9.00			
RCCM	9.00			
Solid Block Work	38.00			
Inner Wall & Outer Wall Plastering	5.76			
Inner Wall & Outer White Wash	5.76			
Aluminum Windows	2.10			
Rolling Shutters	5.38			
Construction of Frame of Shed	60.00			
Roofing	60.00			
Wall Cladding & Colour Coated Sheets	30.00			
FACTORY SHED B				
Footing Earth work	4.50	July 27, 2024	June 30, 2025	Sri Ganesh PEB Engineering
Quarry Dust Filling	4.50			
PCCM	9.00			
RCCM	9.00			
Solid Block Work	38.00			
Inner Wall & Outer Wall Plastering	5.73			
Inner Wall & Outer White Wash	5.76			
Aluminum Windows	2.10			
Rolling Shutters	5.38			
Construction of Frame of Shed	60.00			
Roofing	60.00			

Expense Category and Purpose	Total Cost (₹ in lakhs)	Date of Quotation	Validity of Quotation	Quotation received from
FACTORY SHED A				
Wall Cladding & Colour Coated Sheets	30.00			
Security Cabins	2.75			
Office (RCC Roof)	42.63			
Residence (G+1)	42.63	July 27, 2024	June 30, 2025	Sri Ganesh PEB Engineering
Cylinder Storage Shed	48.50			
Compound Wall	115.46			
Razor Wire	21.89			
Filling of Road Grave Soil	61.53			
Filing of Red Grave Soil	286.24	July 27, 2024	June 30, 2025	Sri Ganesh PEB Engineering
Wet Mixing	64.00			
Prime Coating	5.92			
Tack Coating	2.80	July 27, 2024	June 30, 2025	Sri Ganesh PEB Engineering
Tack Coating	2.32			
Bituminous Paving	44.00			
Bituminous Concrete Paving	64.00			
Total GST on above products / services (18%)	229.08			
Total including GST	1,501.74			

Plant and Machinery

Expense Category and Purpose	(₹ in lakhs) Total Cost
Refrigerant Storage Tanks-20 KL	92.50
Safety fittings & Instrumentation for Refrigerant Storage Vessels (SRVs, EFCV, FLG, Temp. gauge & Press Gauge)	22.50
Painting of the Refrigerant Storage Tank with epoxy paint & painting of all other equipment's with pipelines etc.	4.00
Conventional Earthing for the Refrigerant Storage Tank & all other equipment's 8 Nos Pits	4.50
Decanting hoses- Conventional Type	1.70
Non Return Valve for Refrigerant System	0.88
Y Type Strainer Valve for Refrigerant System	0.96
Sight Flow Indicator for Refrigerant System	1.12
Refrigerant System Ball Valves within the fenced area.	14.00
Refrigerant System Piping Sch Within the fenced area	16.00
Structural Work - platform , ladder & railing & crash guard & pipe supports	5.50
MCC Panel & Cabling job within the fenced area	14.00
Leak Detection System 8 Nos Sensors	8.50
Guided Wave Level Transmitter for Refrigerant Purpose	13.75
Firefighting system within the fenced area including monitors and peripheral line with branches for MVWS to cover the main fire risk areas .	8.50
Medium Velocity Water Spray over tanker platform and Refrigerant Storage Tank & Unloading Pump & Transfer Pump Sheds	6.00
High Pressure Switch & High Temperature Switch for the Ref Tanks for High Pressure Alarm & High Temperature Alarm .	5.50
Air Line for ROV 100 M	1.25
Remote operated valves for Fill Point & Liquid Outlet Line	3.85
Pipe line to feed the filling plant	2.50
Package B consisting of Pumps / Compressor / Weigh Scales / All Machinery as per Stallion List for the filling Area, Vaccum pumps , & piping / valves for the filling shed as per Bill of Quantities forwarded by SF	222.00
Complete Electrical Scope of the Refrigerant Plant including main panel m electrical fittings, cables & all other items part of the scope. Lighting items for the Ref plant is also included in this scope	26.00
A) Design & Engineering Services & Expenses to obtain approval / license from PESO B) Civil Design for all other civil structures within the fenced area & MCC Panel Shed C) Electrical Design D) Fire Fighting Design	7.00
Safety Studies like Risk Analysis / Disaster Management Plan for Refrigerant Overground Storage System	0.35

Expense Category and Purpose	Total Cost
Charges for Third Party Inspection (PESO approved) for Refrigerant Overground Storage Tanks & Competent Person Inspection of the Overground Storage after completion of the job	1.50
NOC from the local district magistrate & local departments pertaining to the Refrigerant Overground storage only	Client Scope
Transportation of materials to site	9.50
Erection & Commissioning of the facility Within the fenced area	28.00
Basic Cost (Labour)	46.35
Total GST on above products / services (18%)	93.93
Total (including GST)	615.79

Note: The above quotations are received from M/s Chandra Engg. & Mech. Pvt. Ltd dated January 09, 2025 which are valid till March 31, 2025

The quotations received from vendors in relation to the above-mentioned Objects are valid as on the date of this Red Herring Prospectus. We have not entered into any definitive agreements with the vendors and there can be no assurance that the same vendor(s) would be engaged to eventually supply the machinery, equipment or civil work or we will get the same at the same costs.

For further details, please see “Risk Factor no. 7 “*We have not placed orders in relation to purchase of machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the machineries in a timely manner, or at all, the same may result in time and cost over-runs*” on page 28 of this Red Herring Prospectus.

Government approvals

In relation to the project, we are required to obtain certain approvals post-construction and the necessary approvals for the Project shall be procured as and when they are required and shall be met from the intenal accruals in accordance with applicable law as stated below;

Authority	Approval for	Stages at which approval is required	Status
Andhra Pradesh Pollution Control Board (APPCB)	Consent to Establishment (CTE)	The land is located in Industrial Park developed by APIIC and is already pre-approved for the industrial Use for various industries.	Received on July 30, 2024
Department of Factories, Government of Andhra Pradesh	Factory Act License	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Andhra Pradesh Pollution Control Board (APPCB)	Consent to Operate (CTO)	Routine approval. Before the commissioning of the factory operations	Yet to be applied
License from Petroleum and Explosives Safety Organization	Storage of Compressed gases in Pressure Vessels	Routine approval. Before the commissioning of the factory operations	Yet to be applied
Andhra Pradesh State Disaster Response and Fire Services Department	Fire Safety to life and property	Routine approval. Before the commissioning of the factory operations	Yet to be applied

As per Certificate dated December 01, 2024 issued by Rajeev Kumar Gupta, Independent Chartered Engineer

4) General Corporate Purpose

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, aggregating to ₹ [●] 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.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by our Board. Our Company’s management, in compliance with all applicable laws and regulation and also in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any, and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ [●] lakhs. The Offer related expenses include fees payable to the Book Running Lead Manager, legal counsel, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs’ fees, Registrar’s fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges, including any expenses for any previous listing attempt of Equity Shares, if any. Subject to applicable law, other than the fees paid to the legal counsel to the Promoter Selling Shareholder which will be paid by the Promoter Selling Shareholder, and other than listing fees which will be borne by our Company, all other costs, fees and expenses with respect to the Offer will be shared amongst our Company and the Promoter Selling Shareholder, on a pro rata basis, in proportion to the number of Equity Shares, allotted by our Company in the Fresh Issue and sold by the Promoter Selling Shareholder in the Offer for Sale. Upon successful completion of the Offer and the receipt of listing and trading approvals from the Stock Exchanges, the payment of all fees and expenses shall be made directly from the Public Offer Account. Any expenses paid by our Company on behalf of the Promoter Selling Shareholder in the first instance will be reimbursed to our Company, directly from the Public Offer Account. Appropriate details in this regard shall be included in the Cash Escrow and Sponsor Bank Agreement. In the event of withdrawal of the Offer or if the Offer is not successful or consummated, for any reason, all costs and expenses (including all applicable taxes) with respect to the Offer shall be borne by our Company and the Promoter Selling Shareholder to the extent of their respective proportion of such costs and expenses with respect to the Offer.

The break-up for the estimated Offer expenses are as follows:

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Offer expenses)	Expenses (% of Gross Offer Proceeds)
Fees payable to the BRLM	[●]	[●]	[●]
Fees payable to the Underwriter	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees to the Registrar to the Offer	[●]	[●]	[●]
Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank (for Bids made by Retail Individual Bidders using UPI) and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	[●]	[●]	[●]
Fees for the legal counsels appointed for the purpose of the Offer	[●]	[●]	[●]
Others (Industry Report, charges for monitoring Agency, Restated financials, NSDL & CDSL Fees, Verification Charges etc.)	[●]	[●]	[●]

Total Estimated Offer Expenses	[●]	[●]	[●]
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For Sub-Syndicate Members, RTAs and CDPs

- (1) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:*

<i>Portion for Retail Individual Bidders*</i>	<i>0.15 % of the Amount Allotted (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>0.10% of the Amount Allotted (plus applicable taxes)</i>

** Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE

No processing fees/uploading charges shall be payable by our Company and the selling shareholder to the SCSBs on the applications directly procured by them.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-syndicate members), CRTAs or CDPs from Retail Individual Investors and Non-Institutional Bidders and submitted to the SCSBs for blocking as follows:

<i>Portion for Retail Individual Bidders*</i>	<i>₹10 per valid ASBA Forms (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>₹10 per valid ASBA Forms (plus applicable taxes)</i>

**Based on valid ASBA Forms*

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹ 5.00 lakhs (plus applicable taxes), and if the total processing fees exceeds ₹ 5.00 lakhs (plus applicable taxes), then the processing fees will be paid on a pro-rata basis

- (2) *The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:*

<i>Members of the Syndicate / RTAs / CDPs (uploading charges)</i>	<i>₹10/- per valid Bid cum Application Form (plus applicable taxes)</i>
<i>Sponsor Bank- Axis Bank Limited</i>	<i>₹ Nil up to 1.50 lakhs of UPI successfully blocked applications, on and above 1.50 lakhs charges would be ₹ 6.00 + GST as applicable. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement, and other applicable laws</i>
<i>Sponsor Bank- Yes Bank Limited</i>	<i>₹ Nil up to 44,000 of UPI successfully blocked applications, on and above 44,000 charges would be ₹ 6.00 + GST as applicable. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement, and other applicable laws</i>

Notwithstanding anything contained above, the total Bid uploading charges/processing fees for applications made by RIIs (up to ₹200,000), Non-Institutional Bidders (for an amount more than (from ₹200,000 to ₹500,000) using the UPI Mechanism would not exceed ₹5.00 lakhs (plus applicable taxes), and if the total Bid uploading charges/processing fees exceeds ₹5.00 lakhs (plus applicable taxes), then Bid uploading charges/processing fees using UPI Mechanism will be paid on a pro-rata basis except the fee payable to Sponsor Banks (plus applicable taxes) which shall also not exceed ₹10.00 lakhs (plus applicable taxes).

- (3) Brokerage, selling commission on the portion for UPI Bidders (using the UPI Mechanism), RIIs and NIIs which are procured by the members of the Syndicate (including their sub-syndicate members), CRTAs, CDPs, RTAs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-syndicate members) would be as follows:

Portion for Retail Individual Bidders*	0.15% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.10% of the Amount Allotted (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate/ sub-syndicate members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-syndicate member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate/ sub-syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ sub-syndicate member.

For Non-Institutional Bidders (Bids above ₹500,000) on the basis of the Syndicate ASBA Form bearing SM Code and the Sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the Stock Exchanges' platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the Syndicate/sub-Syndicate Members and not the SCSB

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading charges/ processing charges of ₹10/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- for applications made by Retail Individual Investors using the UPI Mechanism

Uploading Charges/ Processing Charges of ₹10/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- for applications made by Retail Individual Investors using 3-in-1 type accounts
- for Non-Institutional Investor Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,

The Bidding/uploading charges payable to the Syndicate/Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹500,000 (plus applicable taxes), and if the total processing fees exceeds ₹5.00 lakhs (plus applicable taxes), then processing fees will be paid on apro-rata basis.

- (4) Selling commission/Bid uploading charges payable to the registered brokers on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers and submitted

to SCSB for processing would be as follows: Portion for Retail Individual Investors and Non-Institutional Investors: ₹10/- per valid ASBA Form (plus applicable taxes) based on valid applications. Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹200,000 (plus applicable taxes), and if the total processing fees exceeds ₹200,000 (plus applicable taxes), then processing fees will be paid on a pro-rata basis.

For avoidance of doubt, notwithstanding anything mentioned in any of the aforementioned clauses, the total cost to the Company and the selling shareholder shall not exceed ₹30.00 lakhs (plus applicable taxes) for uploading and/or processing of the Bids. If the total cost to the Company and the selling shareholder exceeds ₹4.00 million, then the amount of ₹30.00 lakhs (plus applicable taxes) shall be distributed on a pro-rata basis in the manner stipulated above, so that the total cost of the Company and selling shareholder shall not exceed ₹30.00 lakhs (plus applicable taxes).

The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

Interim use of Net Proceeds

We, in compliance with all applicable laws and regulation and also in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with the Companies Act, 2013, we confirm that we shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any banks or financial institutions as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Prospectus with RoC, we will appoint a monitoring agency to monitor the utilization of the Gross Proceeds. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in its balance sheet until such time as the Gross Proceeds remain unutilized, clearly specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Offer from the objects of the Fresh Offer as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Offer from the objects of the Fresh Offer as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Appraisal by Appraising Agency

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

Other Confirmations

Except for our Promoter i.e. Shazad Sheriar Rustomji who will be receiving his portion of Offer proceeds (OFS), none of the other Promoter and Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel will receive any portion of the Offer Proceeds.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and/ or Senior Management Personnel.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should read the below mentioned information along with “*Our Business*”, “*Risk Factors*”, “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 144, 28, 205 and 265 respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Operating and financial performance and growth
- Customer base across high growth industries and long-standing relationships with customers;
- Blending facilities in different states, value and supply chain efficiencies;
- Professional management and experienced leadership of our Promoter i.e. Shazad Sheriar Rustomji

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see “*Financial Statements*” on page 205.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings per Share (“EPS”)

Year/ month ended	Basic EPS (₹)	Diluted EPS(₹)	Weight
March 31,2022	3.83	3.83	1
March 31,2023	1.77	1.77	2
March 31,2024	2.54	2.54	3
Weighted Average	2.50	2.50	
Period ended September 30, 2024*	2.69	2.69	

*Not annualized.

Notes:

- *Basic earnings per share (₹) = Restated profit for the year attributable to equity holders of the parent / Weighted average number of equity shares in calculating basic EPS*
- *Diluted earnings per share (₹) = Restated profit for the year attributable to equity holders of the parent / Weighted average number of equity shares in calculating diluted EPS*
- *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended)*
- *Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor*

2. Price/Earning (“P/E”) ratio in relation to Price Band of ₹[•] to ₹[•] per Equity Share:

Year ended	*P/E at the Floor Price (no. of times)	*P/E at the Cap Price (no. of times)
P/E ratio based on Basic EPS for FY 2023-24	[•]	[•]
P/E ratio based on Weighted Average EPS	[•]	[•]

To be populated after finalization of the price band

3. Industry P/E ratio

Particulars	P/E Ratio***
Highest	101.46
Lowest	35.66
Industry Composite	57.12

Highest PE is calculated by taking average of Highs PE of each peers from 31 March 2022 to 3 January 2025

Lowest PE is calculated by taking average of Lowest PE of each peers from 31 March 2022 to 3 January 2025

Industry PE is calculated by taking average PE of all peers from 31 March 2022 to 3 January 2025

4. Return on Net Worth (“RoNW”)

Year/ month ended	RoNW(%)	Weight
March 31,2022	34.64	1
March 31,2023	13.79	2
March 31,2024	12.54	3
Weighted Average	16.64	
September 30, 2024*	12.31	

**Not annualized*

Return on Net Worth is calculated as Restated Profit for the year attributable to the equity shareholders of the Company divided by average net worth (excluding non-controlling interest). For the purposes of the above, “net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation each as applicable for the Company on a consolidated restated basis. Net worth represents equity attributable to owners of the holding company and does not include amounts attributable to non-controlling interests.

5. Net Asset Value (“NAV”) per share

Particulars	Amount (₹)
As at March 31, 2024	19.19
Period ended September 30, 2024	21.89
After the Offer	
- At the Floor Price	[•]
-At the Cap Price	[•]
-At Offer Price	[•]

Notes:

- Offer Price per equity share will be determined on conclusion of the Book Building Process.*
- Net asset value per equity share represents restated net worth attributable to equity shareholders of the Company (excluding non- controlling interest) at the end of the year divided by weighted average numbers of equity share outstanding during the respective year.*

6. Comparison with Listed Industry Peers

Companies	Face Value (₹)	Sales (₹ in Lakhs.)	PAT (₹ in Lakhs.)	EPS (₹)	P/E Ratio	RoNW (%)	CMP (₹)
Stallion India Fluorochemicals Limited	10.00	23,622.63	1,478.83	2.54	-	12.54%	-
Peer Groups:*							
Navin Flourine International Limited	2.00	1,48,820.00	23,517.00	47.44	70.82	10.22%	3,359.65
SRF Limited	10.00	10,90,609.00	1,37,403.00	46.35	49.30	13.07%	2,284.90
Gujarat Fluorochemicals Limited	1.00	4,08,807.00	41,875.00	38.12	108.36	7.07%	4,130.55

*Source for Peer Group information: www.nseindia.com

- ✓ The figures of Our Company are based on the restated standalone financial results for the year ended March 31, 2024.
- ✓ The figures for the Peer group are based on audited results for the Financial Year ended March 31, 2024.
- ✓ Current Market Price (CMP) is the closing prices of respective scrips (NSE) as on 3 January, 2025.

The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, on the basis of market demand from investors for Equity Shares through the Book Building Process. Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 28, 144, 265 and 205, respectively, to have a more informed view.

7. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 06, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs herein have been certified by M/S. Mittal & Associates, Chartered Accountants, by their certificate dated December 07, 2024.

1. Key Performance Indicator Based on Restated Financials:

(₹ in lakhs)

Particulars	Sep-24	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations ¹	14,073.15	23,323.58	22,550.44	18,588.27
Total Revenue ²	14,153.16	23,622.63	22,606.35	18,634.07
EBITDA	2,553.76	2,670.48	1,559.89	3,300.88
EBIT	2,496.23	2,559.42	1,406.03	3,122.10
EBT	2,247.06	2,126.94	1,297.42	3,007.09
PAT	1,656.51	1,478.83	975.30	2,110.97
EBITDA Margin ³	18.04%	11.30%	6.90%	17.71%
EBIT Margin ⁴	17.64%	10.83%	6.22%	16.75%
EBT Margin ⁵	15.88%	9.00%	5.74%	16.14%
PAT Margin ⁶	11.70%	6.26%	4.31%	11.33%
Share Capital	6,146.65	6,146.65	5,512.50	1,225.00
Other Equity	7,306.55	5,649.73	1,557.82	4,868.66
Net Worth	13,453.20	11,796.39	7,070.32	6,093.66
Short Term Borrowing	8,104.75	6,534.54	1,827.42	196.97
Long Term Borrowing	-	-	-	-
Total Borrowing	8,104.75	6,534.54	1,827.42	196.97

Particulars	Sep-24	Fiscal 2024	Fiscal 2023	Fiscal 2022
Debt / Equity ⁷	0.60	0.55	0.26	0.03
Interest Coverage Ratio ⁸	10.02	5.92	12.95	27.15
RoE ⁹	12.31%	12.54%	13.79%	34.64%
RoCE ¹⁰	11.58%	13.96%	15.80%	49.22%
Net Debt / EBITDA ¹¹	2.30	1.84	1.11	0.01
Current Ratio ¹²	2.16	2.19	1.97	2.19
EPS (Basic)	2.69	2.54	1.77	3.83
EPS (Diluted)	2.69	2.54	1.77	3.83
Cash & Equivalents	2,218.54	1,613.63	101.20	162.43
Current Assets	21,778.05	18,553.77	10,887.37	7,965.87
Current Liabilities	10,082.74	8,487.25	5,521.00	3,630.06

Explanation for Key Performance Indicators

1. Revenue from operations refers to revenue from sales of product and services and other operating income.
2. Total Revenue refers to Revenue from operations plus Other Income.
3. EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
4. EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
5. EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
6. PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
7. Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
8. Interest Coverage Ratio is used to measure the ability of company to make interest payments from its available earnings.
9. RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
10. RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generate the returns against the capital it put to use.
11. Net Debt / EBITDA ratio is a financial leverage metric used to measure a company's ability to pay off its debt obligations with available earning. It is also used as proxy for payback period assuming the company operates at current level to become debt-free.
12. Current Ratio indicates the short term liquidity and measures the ability of the company to pay off its short term obligations.

The KPIs set out above are not standardized terms and accordingly a direct comparison of such KPIs between companies may not be possible. Other companies may calculate such KPIs differently from us.

2. Breakup of Revenue

(₹ in Lakhs)

Particulars	September 30, 2024	As at March 31		
		2024	2023	2022
Revenue from Operation				
Sale of Gases & Other Related Products	14,067.27	23,316.30	22,538.14	18,557.95
Other Operating Income	5.87	7.28	12.30	30.32
Total Revenue from Operation	14,073.15	23,323.58	22,550.44	18,588.27

Revenue Breakup as % of Total Revenue

(₹ in Lakhs)

Particulars	September 30, 2024	As at March 31		
		2024	2023	2022
Revenue from Operation				
Sale of products	99.96%	99.97%	99.95%	99.84%
Other Operating Income	0.04%	0.03%	0.05%	0.16%

Particulars	September 30, 2024	As at March 31		
		2024	2023	2022
Total Revenue from Operation	100%	100%	100%	100%

3. Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

Fiscal 2023-24

(₹in Lakhs)

Particulars	Stallion India Fluorochemicals Limited	SRF Ltd.	Gujarat Fluorochemicals Ltd.	Navin Fluorine International Ltd.
Total Revenue	23,622.63	1,090,609.00	408,807.00	148,820.00
EBITDA	2,670.48	250,933.00	94,610.00	35,501.00
PAT	1,478.83	137,403.00	41,875.00	23,517.00
EBITDA Margin	11.30%	23.01%	23.14%	23.85%
PAT Margin	6.26%	12.60%	10.24%	15.80%
Face value	10.00	10.00	1.00	2.00
EPS (Diluted)	2.54	46.35	38.12	47.44
P/E*	-	55.24	81.25	65.65
P/BV*	-	7.24	5.75	6.70
Net Debt / EBITDA	1.84	1.30	2.09	0.11
Debt / Equity	0.55	0.34	0.34	0.02
Current Ratio	2.19	1.23	1.37	3.68
RoE	12.54%	13.07%	7.07%	10.22%
RoCE	13.96%	16.04%	10.92%	12.92%

*P/E, P/BV of peers are based on closing price as on March 2024 based on NSE data.

Fiscal 2022-23

(₹in Lakhs)

Particulars	Stallion India Fluorochemicals Limited	SRF Ltd.	Gujarat Fluorochemicals Ltd.	Navin Fluorine International Ltd.
Total Revenue	22,606.35	1,217,990.00	571,883.00	166,914.00
EBITDA	1,559.89	330,012.00	215,189.00	46,289.00
PAT	975.30	202,336.00	135,560.00	31,249.00
EBITDA Margin	6.90%	27.09%	37.63%	27.73%
PAT Margin	4.31%	16.61%	23.70%	18.72%
Face value	10.00	10.00	1.00	2.00
EPS (Diluted)	1.77	68.26	123.40	62.83
P/E*	-	35.33	24.47	67.97
P/BV*	-	7.75	6.00	9.88
Net Debt / EBITDA	1.11	0.76	0.67	(0.02)
Debt / Equity	0.26	0.33	0.26	-
Current Ratio	1.97	1.44	1.52	4.90
RoE	13.79%	21.87%	24.52%	14.60%
RoCE	15.80%	25.79%	33.92%	19.63%

*P/E, P/BV of peers are based on closing price as on March 2023 based on NSE data.

Fiscal 2021-22

(₹in Lakhs)

Particulars	Stallion India Fluorochemicals Limited	SRF Ltd.	Gujarat Fluorochemicals Ltd.	Navin Fluorine International Ltd.
Total Revenue	18,634.07	1,001,735.00	394,468.00	144,108.00
EBITDA	3,300.88	266,872.00	129,416.00	39,289.00
PAT	2,110.97	150,701.00	77,414.00	26,643.00
EBITDA Margin	17.71%	26.64%	32.81%	27.26%
PAT Margin	11.33%	15.04%	19.62%	18.49%
Face value	10.00	10.00	1.00	2.00
EPS (Diluted)	3.83	50.86	70.47	53.76
P/E	-	52.68	38.92	75.93
P/BV	-	10.45	7.15	10.85
Net Debt / EBITDA	0.01	0.92	1.18	(0.19)
Debt / Equity	0.03	0.36	0.36	-
Current Ratio	2.19	1.35	1.26	5.39
RoE	34.64%	19.76%	18.36%	14.29%
RoCE	49.22%	25.52%	23.84%	18.70%

*P/E, P/BV of peers are based on closing price as on March 2022 based on NSE data.

4. Comparison of Accounting Ratios with listed Industry Peers

We believe that there are listed Companies as mentioned below in India which are focused exclusively on the segment in which we operate.

Based on Fiscal 2023-24

Particulars	Stallion India Fluorochemicals Limited	SRF Limited	Gujarat Fluorochemicals Limited	Navin Fluorine International Limited
Face value	10.00	10.00	4.00	2.00
EPS (Diluted)	2.64	46.35	38.12	47.44
P/E	-	55.24	81.25	65.65
P/BV	-	7.24	5.75	6.70
Net Debt / EBITDA	1.84	1.30	2.09	0.11
Debt / Equity	0.55	0.34	0.34	0.02
Current Ratio	2.19	1.23	1.37	3.68
RoE	12.54%	13.07%	7.07%	10.22%
RoCE	13.96%	16.04%	10.92%	12.92%

Note: Financials of peers are taken from Audited Standalone Financials.

* Market information for P/E, P/BV is based on price as on November 24, 2023 from NSE.

5. Weighted average cost of acquisition

a. The price per share of Company based on the primary/ new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares, other than Allotment pursuant to slump sale agreement on September 30, 2023 during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) in a single transaction or multiple transactions combined together over a span of rolling 30 days

b. The price per share of Company based on the secondary sale / acquisition of shares (equity shares).

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of 33,00,000 Equity shares of face value of ₹10 each on September 20, 2023 representing 5.37% of Pre-issued capital of the Company), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction in a single transaction or multiple transactions combined together over a span of rolling 30 days

Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last eighteen months preceding the date of this Red Herring Prospectus:

Date of Allotment	No. of Equity Shares of face value of ₹10 each allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Total Consideration (Rs in lakhs)
September 30, 2023	63,41,514	10/-	51.20	Slump Sale	Allotment pursuant to slump sale agreement	3246.85

Secondary Transactions: NIL

No compulsory convertible preference shares have been acquired in the immediately preceding three years by our Promoters, members of the Promoter Group and / or the Promoter Selling Shareholders.: **NIL**

Past Transactions	Weighted Average Cost of Acquisition per Equity Share (₹)	Floor Price is ₹[●]	Cap Price is ₹[●]
I. Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this daft red herring prospectus, where such issuance is equal to or more than 5.00% of the fully diluted paid-up share capital of the company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	6.60	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) in our board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this prospectus, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of our company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA	NA	NA

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
Stallion India Fluorochemicals Limited
2, A wing, Knox Plaza, Mindspace
Off Malad link road, Malad (West),
Mumbai-400064

Statement of Special Tax Benefits available to Stallion India Fluorochemicals Limited and its shareholders under the Indian tax laws

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 ('Act'), as amended by the Finance (No. 2) Act, 2024, read with rules, circulars and notifications issued thereunder (Act) i.e. applicable for FY 2024-25 and AY 2025-26, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

- i. the Company or its shareholders will continue to obtain these benefits in future; or
- ii. the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange(s)/ SEBI/ any regulatory authority in connection with the Offer and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Red Herring Prospectus.

For Mittal & Associates,
Chartered Accountants
ICAI Firm Registration No.: 106456W

Sd/-
Hemant R Bohra
Partner
Membership No: 165667
Place: Mumbai
Date: December 07, 2024
UDIN: 24165667BKEZLW7564

ANNEXURE A

TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance (No. 2) Act, 2024 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

Except as mentioned herein, there are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

There are no special tax benefits available to the Company.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

1. Section 112A of the Act provides for concessional tax rate of 12.5% (plus applicable surcharge and cess) on long term capital gains (exceeding ₹ 1,25,000) arising from the transfer of equity shares or units of an equity oriented fund or units of a business trust, if Security Transaction Tax (‘STT’) has been paid on both acquisition and transfer of such shares / units and subject to fulfilment of other prescribed conditions (including Notification No.60/2018/F.No.370142/9/2017-TPL dated 1 October 2018).
2. Section 111A of the Act provides for concessional rate of tax @ 20% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short-term capital asset (i.e. capital asset held for the period of less than 12 months) being an Equity Share in a company or a unit of an equity oriented fund wherein STT is paid on both acquisition and transfer.
3. In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
4. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

5. Separately, any dividend income received by the shareholders would be subject to tax deduction at source by the company under section 194 @ 10%. However, in case of individual shareholders, this would apply only if dividend income exceeds ₹ 5,000. Further, dividend income is now taxable in the hands of the shareholders

Notes:

1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.
2. The above is as per the Tax Laws as on date.
3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.
4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market related information in this section has been derived from a report titled “Industry Research Report on Fluorochemicals & Specialty Gases” dated August 2024 prepared by CARE Analytics and Advisory Private Limited (the “CARE Report”). We commissioned and paid for the CARE Report for the purposes of confirming our understanding of the industry specifically for the purpose of the Offer for an agreed fee. We engaged CARE in connection with the preparation of the CARE Report pursuant to an engagement letter dated November 16, 2023. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer) that has been left out or changed in any manner. A copy of the CARE Report will be available on the website of our Company at www.stallionfluorochemicals.com from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

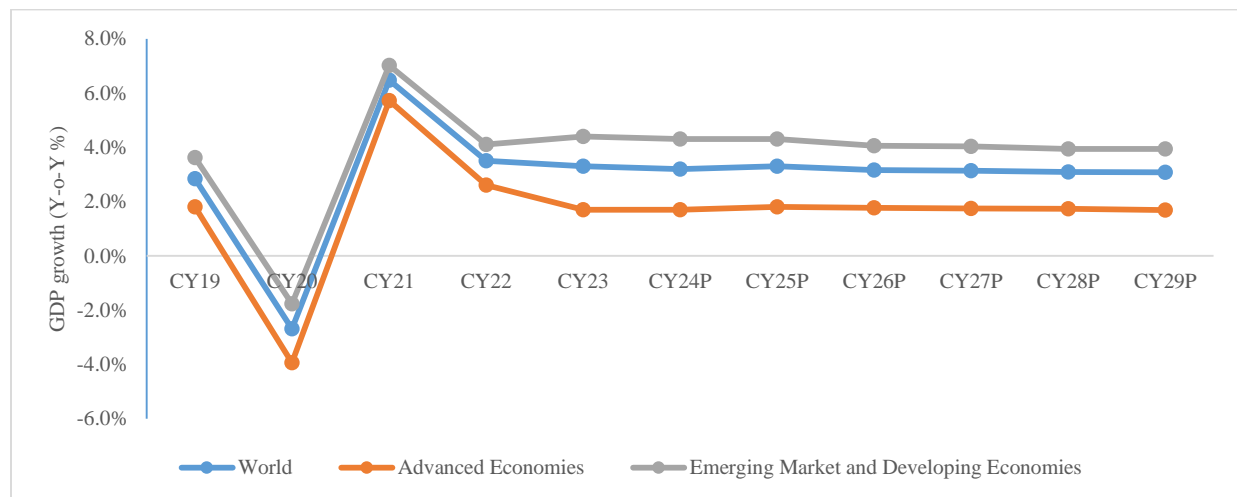
Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial legal, taxation, and other advisors concerning the transaction.

Economic Outlook

1.1 Global Economy

Global growth, which stood at 3.3% in CY23, is anticipated to fall to 3.2% in CY24 and then bounce back again to 3.3% in CY25. The CY24 forecast has remained same compared to the April 2024 World Economic Outlook (WEO) Update, and increased by 0.1 percentage point compared to the January 2024 WEO. Despite this, the expansion remains historically low, attributed to factors including sustained high borrowing costs, inflation woes, reduced fiscal support, lingering effects of Russia’s Ukraine invasion, Iran–Israel Cold War, sluggish productivity growth, and heightened geo-economic fragmentation.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: P-Projection; Source: IMF – World Economic Outlook, July 2024

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)					Real GDP (Y-o-Y change in %)				
	CY20	CY21	CY22	CY23	CY24P	CY25P	CY26P	CY27P	CY28P	CY29P
India	-5.8	9.7	7.0	8.2	7.0	6.5	6.5	6.5	6.5	6.5
China	2.2	8.5	3.0	5.2	5.0	4.5	3.8	3.6	3.4	3.3
Indonesia	-2.1	3.7	5.3	5.0	5.0	5.1	5.1	5.1	5.1	5.1
Saudi Arabia	-3.6	5.1	7.5	-0.8	1.7	4.7	4.0	3.5	3.0	3.5
Brazil	-3.3	4.8	3.0	2.9	2.1	2.4	2.1	2.0	2.0	2.0
Euro Area	-6.1	5.9	3.4	0.5	0.9	1.5	1.4	1.3	1.3	1.2
United States	-2.2	5.8	1.9	2.5	2.6	1.9	2.0	2.1	2.1	2.1

P- Projections; Source: IMF- World Economic Outlook Database (July 2024)

Advanced Economies Group

Advanced economies are expected to experience a gradual increase in growth, remaining same at 1.7% in CY23 and CY24 and increasing to 1.8% in CY25. The projection for CY24 and CY25 remains unchanged compared to the April 2024 WEO Update.

The **United States** is expected to see growth rise to 2.6% in CY24, followed by a slight slowdown to 1.9% in CY25. This deceleration is attributed to gradual fiscal tightening and labor market softening, which dampen aggregate demand. The CY24 projection has been revised downward by 0.1 percentage points since the April CY24 WEO Update. This revision primarily reflects carryover effects from stronger-than-expected growth in the fourth quarter of CY23, with some of this momentum expected to continue into CY24.

The **Euro Area's** growth is anticipated to rebound from its sluggish rate of 0.5% in CY23, mainly influenced by significant exposure to the conflict in Ukraine. Projections indicate an increase to 0.9% in CY24 and further to 1.5% in CY25. This recovery is driven by stronger household consumption, as the impact of elevated energy prices diminishes and declining inflation bolsters real income growth. Additionally, strong momentum in services, higher than expected net exports, and higher investments have further driven this growth. But, countries like Germany are expected to have a sluggish recovery on account of weak manufacturing growth.

Emerging Market and Developing Economies Group

Emerging market and developing economies are forecasted to maintain stable growth at 4.3% in both CY24 and CY25. This forecast has been revised upwards by 0.1 percentage point as compared to the April 2024 WEO update on account of stronger activity in Asia, particularly China and India. Growth prospects in economies across the Middle East and Central Asia continue to be weighed down by oil production and regional conflicts. Growth forecast of sub-Saharan Africa has also been revised downward on account of weak economic activity. Low-income developing countries are anticipated to experience a gradual growth uptick, starting at 3.9% in CY23 and climbing to 4.4% in CY24 and 5.3% in CY25, as certain constraints on near-term growth begin to ease.

The economic forecast for emerging and developing Asia reveals a modest deceleration in growth, with projections indicating a decline from 5.7% in CY23 to 5.4% in CY24 and 5.1% in CY25. **China's** trajectory reflects a slowdown, transitioning from 5.2% in CY23 to 5.0% in CY24 and 4.5% in CY25 due to fading post-pandemic stimuli and ongoing property sector challenges. In contrast, **India's** growth remains robust, with anticipated rates of 7.0% in CY24 and 6.5% in CY25, bolstered by resilient domestic demand and a burgeoning working-age populace.

The **Indonesian** economy is expected to register growth of 5.0% in CY24 and 5.1% in CY25 with a strong domestic demand, a healthy export performance, policy measures, and normalization in commodity prices. **Saudi Arabia's** growth slowed at -0.8% in CY23 attributed to lower oil production. CY24 is predicted to see a revamp in the growth rates to 1.7% on account of Vision 2030 reforms that helped advance the country's economic diversification agenda, including through reduced reliance on oil. The forecast for CY24 has been revised downward as compared to the April 2024 WEO update on account of extension of oil production cuts. Going forward, GDP is expected to grow at

4.7% and 4.0% in CY25 and CY26, respectively. On the other hand, **Brazil's** growth is projected to ease to 2.1% in CY24, driven by fiscal consolidation, the lingering impact of tight monetary policies, and reduced contributions from the agricultural sector. There has been a downward revision in forecast for CY24 compared to April 2024 WEO update on account of the near-term impact of flooding. Going forward, GDP is expected to grow at 2.4% in CY25 on account of reconstruction following the floods and supportive structural factors.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP has been at USD 3.6 trillion for CY23 and is projected to reach USD 5.3 trillion by CY27 and USD 6.4 trillion by CY29. India's expected GDP growth rate for coming years is almost double compared to the world economy.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6.5% in the period of CY24-CY29, outshining China's growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally, hopping over Japan and Germany. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7.6% share in the global economy, with China [~18.7%] on the top followed by the United States [~15.6%]. Purchasing Power Parity is an economic performance indicator denoting the relative price of an average basket of goods and services that a household needs for livelihood in each country.

Despite Covid-19's impact, high inflationary environment and interest rates globally, and the geopolitical tensions in Europe, India has been a major contributor to world economic growth. India is increasingly becoming an open economy as well through growing foreign trade. Despite the global inflation and uncertainties, Indian economy continues to show resilience. This resilience is mainly supported by stable financial sector backed by well-capitalized banks and export of services in trade balance. With this, the growth of Indian economy is expected to fare better than other economies majorly on account of strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners.

1.2 Indian Economic Outlook

1.2.1 GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's real GDP grew by 7.0% in FY23 and stood at ~Rs. 161 trillion, as per the First Revised Estimate, despite the pandemic in previous years and geopolitical Russia-Ukraine spillovers. In Q1FY24, the economic growth accelerated to 8.2%. The manufacturing sector maintained an encouraging pace of growth, given the favorable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities. This momentum remained in the range in the Q2FY24 with GDP growth at 8.1%, mainly supported by acceleration in investments. However, private consumption growth was muted due to weak rural demand and some moderation in urban demand amid elevated inflationary pressures in Q2FY24. The GDP growth number improved for Q3FY24 at 8.6%.

India's GDP at constant prices surged to Rs. 47.24 trillion in Q4FY24 from Rs. 43.84 trillion in Q4FY23, marking a 7.8% growth rate. This upswing was fueled by robust performances in construction, mining & quarrying, utility services, and manufacturing sectors and investment drove the GDP growth, while both private and government consumption remained subdued.

Real GDP in the year FY24 is estimated to grow at 8.2% at Rs. 173.82 trillion as per provisional estimate of the Ministry of Statistics and Programme Implementation. It is expected that domestic demand, especially investment, to be the main driver of growth in India, amid sustained levels of business and consumer confidence.

GDP Growth Outlook

- Driven by fixed investment and improving global environment, domestic economic activity continues to expand. The provisional estimates (PE) placed real GDP growth at 8.2% for FY24.

- Industrial activity led by manufacturing continues its momentum on the back of strengthening domestic demand. Moreover, the services sector-maintained buoyancy as could be observed by growth in high frequency indicators such as E-way bills, GST revenues, toll collections, aggregate, and a healthy growth in domestic air cargo and port cargo. The purchasing managers' index for both manufacturing and services continues to exhibit a sustained and healthy expansion.
- Domestic economic activity remains strong. On the supply side, the south-west monsoon is progressing well, with higher cumulative kharif sowing and improving reservoir levels, which bodes well for kharif output. The potential development of La Niña conditions in the latter half of the monsoon season could impact agricultural production in 2024-25. On the demand side, household consumption is bolstered by a recovery in rural demand and consistent discretionary spending in urban areas. Fixed investment activity is robust, supported by the government's ongoing focus on capital expenditure, healthy balance sheets of banks and corporates, and other policy measures. Private corporate investment is picking up, driven by an increase in bank credit. Merchandise exports grew in June, albeit at a slower rate, while the growth in non-oil-non-gold imports accelerated, indicating resilience of domestic demand. Services exports saw double-digit growth in May 2024 before slowing down in June 2024.
- Improved agricultural activity would improve rural consumption, while urban consumption would be supported by buoyancy in services activity. Additionally, improvement in global trade prospects are expected to support external demand.

Persistent geopolitical tensions and volatility in international financial markets and geo-economic fragmentation do pose risk to this outlook. Based on these considerations, the RBI, in its August 2024 monetary policy, has projected real GDP growth at 7.2% y-o-y for FY25.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY25P (complete year)	Q1FY25P	Q2FY25P	Q3FY25P	Q4FY25P	Q1FY26P
7.2%	7.1%	7.2%	7.3%	7.2%	7.2%

Note: P-Projected; Source: Reserve Bank of India

1.2.2 Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

- The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.
- The **agriculture sector** was holding growth momentum till FY18. In FY19, the acreage for the rabi crop was marginally lower than the previous year which affected the agricultural performance. Whereas FY20 witnessed growth on account of improved production. During the pandemic-impacted period of FY21, the agriculture sector was largely insulated as timely and proactive exemptions from COVID-induced lockdowns to the sector facilitated uninterrupted harvesting of rabi crops and sowing of kharif crops. However, supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

In FY23, the agriculture sector performed well despite weather-related disruptions, such as uneven monsoon and unseasonal rainfall, impacting yields of some major crops and clocked a growth of 4% y-o-y, garnering Rs. 22.3 trillion.

In Q1FY24, this sector expanded at a slower pace of 3.7% y-o-y growth compared to y-o-y growth a quarter ago. This further stumbled to 1.7% in Q2FY24. Further, it experienced y-o-y growth of 0.4% in Q3 and 0.6% in Q4. Leading to expectations of a modest 1.4% rise for the full year, contrasting sharply with the 4.7% growth recorded in FY23. In the Budget 2024-25, the government plans to boost private and public investment in post-harvest activities and expand the application of Nano-DAP across agro-climatic zones. Strategies for self-reliance in oilseeds and dairy development are to be formulated, alongside ramping up the Pradhan Mantri Matsya Sampada Yojana and establishing Integrated Aquaparks. Allocation for PM-Formalisation of Micro Food Processing Enterprises scheme has increased from Rs. 639 in FY24 to Rs. 880 crores in FY25.

Going forward, rising bank credit to the sector and increased exports will be the drivers for the agriculture sector. However, a deficient rainfall may have impact on the reservoir level, weighing on prospects of Kharif sowing. Considering these factors, the agriculture sector is estimated to attain Rs. 23.7 trillion and mark 1.4% y-o-y growth for complete FY24.

From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted the **industrial sector**. In FY20 and FY21, this sector felt turbulence due to the pandemic and recorded a decline of 1.4% and 0.9%, respectively, on a y-o-y basis. With the opening up of the economy and resumption of industrial activities, it registered 11.6% y-o-y growth in FY22, albeit on a lower base.

The industrial output in FY23 grew by only 2.1% with estimated value Rs. 44.74 trillion owing to decline in manufacturing activities.

The industrial sector grew by 6.0% in Q1FY24, while Q2FY24 growth was up by 13.6% owing to positive business optimism and strong growth in new orders supported manufacturing output. The industrial growth was mainly supported by sustained momentum in the manufacturing and construction sectors. Within manufacturing, industries such as pharma, motor vehicles, metals, petroleum and pharma witnessed higher production growth during the quarter. The construction sector (13.6% growth in Q2FY24) benefited from poor rainfall during August and September and higher implementation of infrastructure projects. This was reflected in robust cement and steel production and power demand in Q2FY24. Overall, H1FY24 picked up by 9.3% with manufacturing and construction activities witnessing significant acceleration. In Q3FY24, growth rate slowed down to 10.5%. It further fell down to 8.4% in Q4FY24.

India's industrial sector is experiencing strong growth, driven by significant expansion in manufacturing, mining, and construction. This growth is supported by positive business sentiment, declining commodity prices, beneficial government policies like production-linked incentive schemes, and efforts to boost infrastructure development. These factors collectively contribute to the sustained buoyancy in industrial growth due to which the industrial growth is estimated at 9.5% on y-o-y basis registering the value of Rs. 48.9 trillion in FY24.

The **Services sector** was the hardest hit by the pandemic and registered an 8.2% y-o-y decline in FY21. The easing of restrictions aided a fast rebound in this sector, with 8.8% y-o-y growth witnessed in FY22.

Overall, in FY23, benefitting from the pent-up demand, the service sector was valued at Rs. 80.6 trillion and registered growth of 10.0% y-o-y.

In Q1FY24, the services sector growth jumped to 10.7%. Within services, there was a broad-based improvement in growth across different sub-sectors. However, the sharpest jump was seen in financial, real estate, and professional services. Trade, hotels, and transport sub-sectors expanded at a healthy pace gaining from strength in discretionary demand. The service sector growth in Q2FY24 moderated to 6.0% partly due to the normalization of base effect and some possible dilution in discretionary demand. Considering these factors, service sector marked 8.3% growth in H1FY24. In Q3FY24 growth increased to 7.1% compared to 7.2% last year in the same quarter. In Q4FY24, growth declined to 6.7% compared to 7.2% last year in the same quarter.

With this performance, steady growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections, and retail credit are expected to support the services sector. With this, the growth of service sector is estimated at Rs. 86.7 trillion registering 7.6% growth in FY24 overall.

Table 3: Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

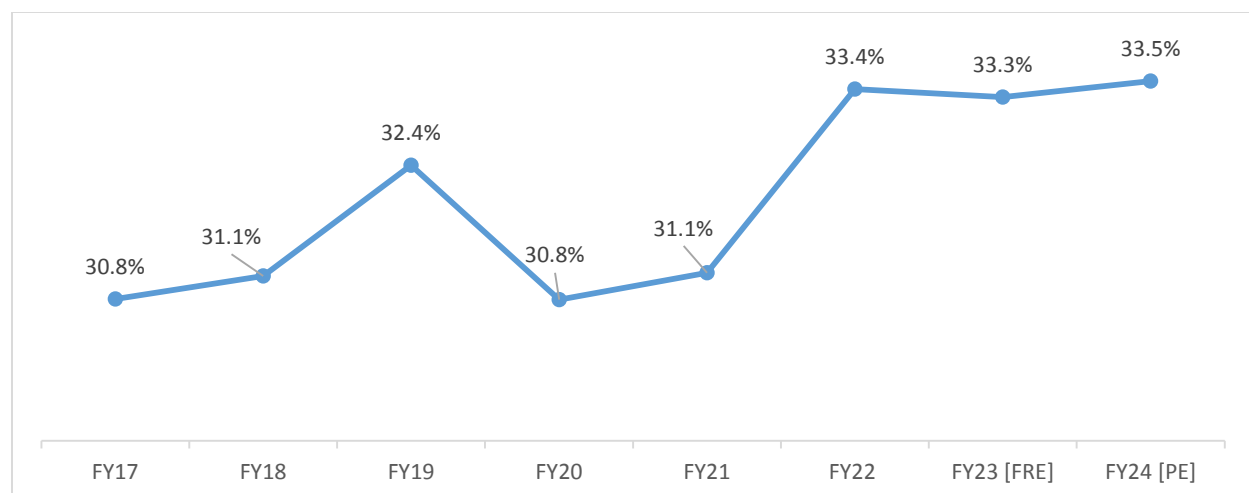
At constant Prices	FY19	FY20	FY21	FY22	FY23 (FRE)	FY24 (PE)
Agriculture, Forestry & Fishing	2.1	6.2	4.1	3.5	4.7	1.4
Industry	5.3	-1.4	-0.9	11.6	2.1	9.5
Mining & Quarrying	-0.9	-3.0	-8.6	7.1	1.9	7.1
Manufacturing	5.4	-3.0	2.9	11.1	-2.2	9.9
Electricity, Gas, Water Supply & Other Utility Services	7.9	2.3	-4.3	9.9	9.4	7.5
Construction	6.5	1.6	-5.7	14.8	9.4	9.9
Services	7.2	6.4	-8.2	8.8	10.0	7.6
Trade, Hotels, Transport, Communication & Broadcasting	7.2	6.0	-19.7	13.8	12.0	6.4
Financial, Real Estate & Professional Services	7.0	6.8	2.1	4.7	9.1	8.4
Public Administration, Defence and Other Services	7.5	6.6	-7.6	9.7	8.9	7.8
GVA at Basic Price	5.8	3.9	-4.2	8.8	6.7	7.2

Note: FRE – First Revised Estimates, PE – Provisional Estimate; Source: MOSPI

1.2.3 Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 33.4%, which is the highest level in 5 years (since FY17). In FY23, the ratio of investment (GFCF) to GDP remained flat at 33.3%. Continuing in its growth trend, this ratio has reached 33.5% in FY24.

Chart 2: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices):



Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate, FAE-First Advance Estimate; Source: MOSPI

Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, Make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

1.2.4 Industrial Growth

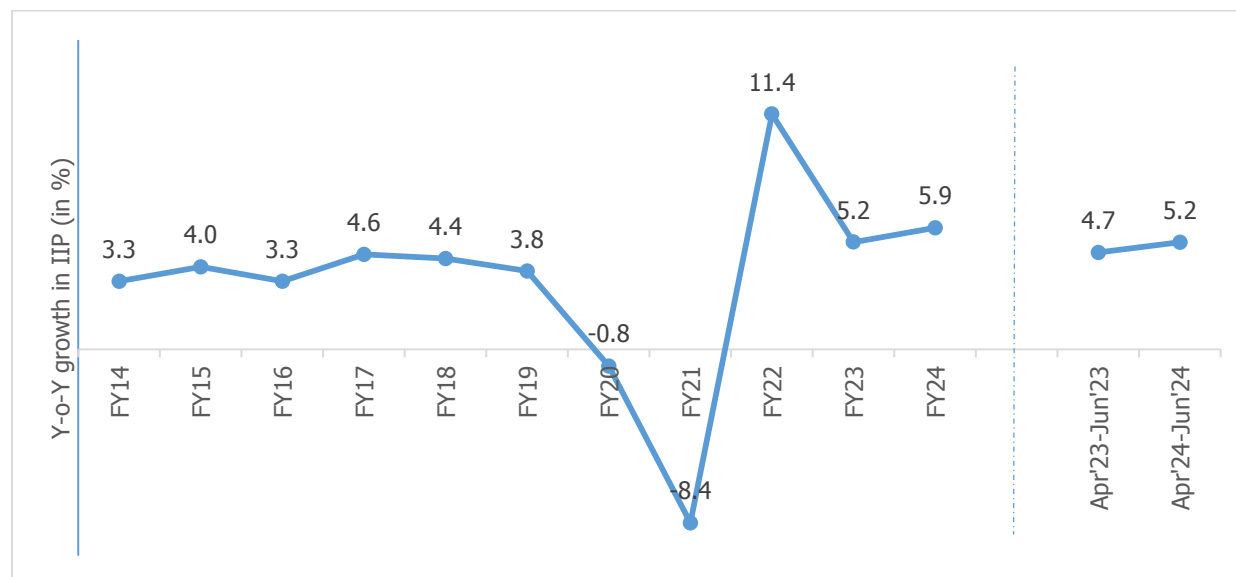
Improved Core and Capital Goods Sectors helped IIP Growth Momentum

The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. On a cumulative basis, IIP grew by 11.4% y-o-y in FY22 post declining by 0.8% y-o-y and 8.4% y-o-y, respectively, in FY20 and FY21. This high growth was mainly backed by a low base of FY21. FY22 IIP was higher when compared with the pre-pandemic level of FY20, indicating that while economic recovery was underway. During FY23, the industrial output recorded a growth of 5.2% y-o-y supported by a favourable base and a rebound in economic activities.

During FY24, the industrial output recorded a growth of 5.9% y-o-y supported by growth in manufacturing and power generation sectors. The period April 2024 – June 2024, industrial output grew by 5.2% compared to the 4.7% growth in the corresponding period last year. For the month of June 2024, the IIP growth increased to 4.2% compared to the last year's 4.0%, on account of growth in mining. The manufacturing sector showed a decline in June 2024 from 3.5% in June 2023 to 2.6% in June 2024. Within the growth in manufacturing, the top three positive contributors were Manufacture of basic metals, Manufacture of electrical equipment, and Manufacture of motor vehicles, trailers, and semi-trailers.

So far in the current fiscal, the government's spending on infrastructure has been strong, and there are visible signs of pick up in private investment. Consumer durables production increased due to favourable conditions, while non-durables saw a slight decline. Urban demand is driving consumption, while rural demand is recovering. Good monsoon forecasts are positive, but high unemployment and food inflation pose challenges. Infrastructure/construction output is growing well due to government spending. Private investment and manufacturing capacity utilization are increasing, supporting hopes for private sector growth. Good monsoon could boost rural demand, but food inflation remains a concern. Overall, sustained improvements in consumption and private investment are crucial for industrial performance.

Chart 3: Y-o-Y growth in IIP (in %)



Source: MOSPI

1.2.5 Consumer Price Index

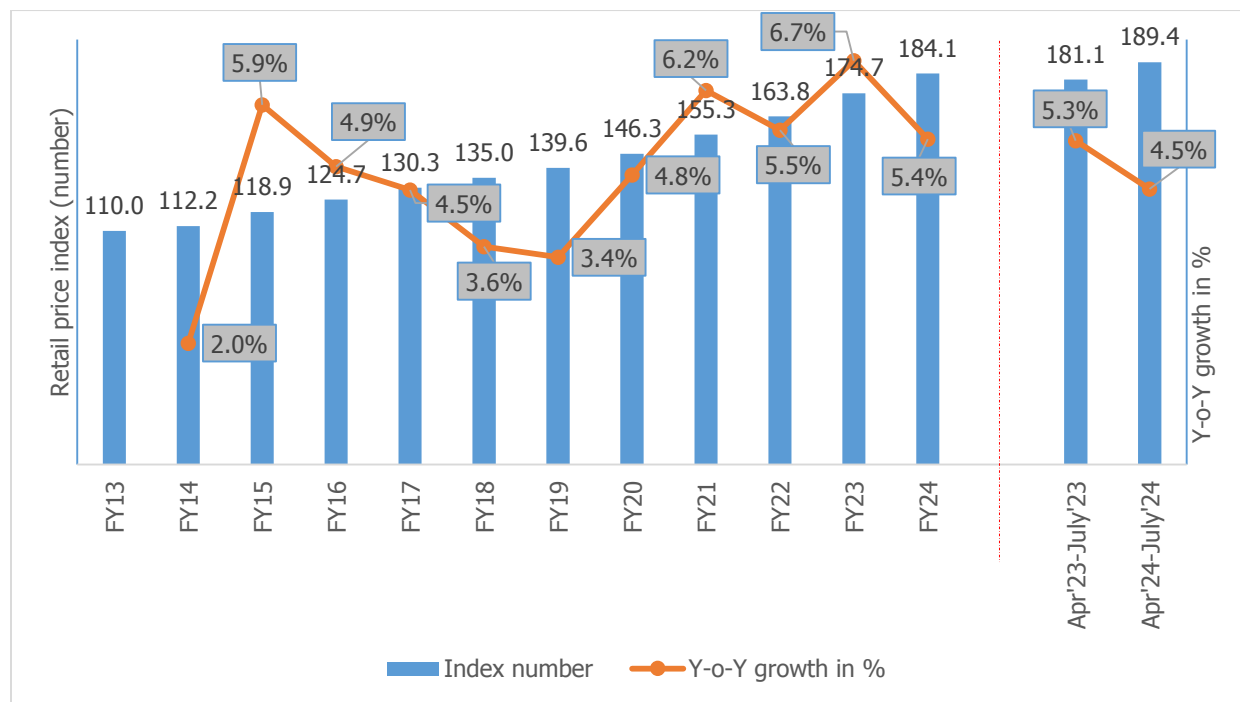
India's consumer price index (CPI), which tracks retail price inflation, stood at an average of 5.5% in FY22 which was within RBI's targeted tolerance band of 6%. However, consumer inflation started to upswing from October 2021 onwards and reached a tolerance level of 6% in January 2022. Following this, CPI reached 6.9% in March 2022.

CPI remained elevated at an average of 6.7% in FY23, above the RBI’s tolerance level. However, there was some respite toward the end of the fiscal wherein the retail inflation stood at 5.7% in March 2023, tracing back to the RBI’s tolerance band. Apart from a favorable base effect, the relief in retail inflation came from a moderation in food inflation.

In FY24, the CPI moderated for two consecutive months to 4.7% in April 2023 and 4.3% in May 2023. This trend snapped in June 2023 with CPI rising to 4.9%. In July 2023, the CPI had reached its highest point at 7.4%, this was largely due to increase in food prices. The notable surge in vegetable prices and in other food categories such as cereals, pulses, spices, and milk have driven this increase. In August 2023, the food inflation witnessed some moderation owing to government’s active intervention. This was further moderated for second consecutive month in September 2023 to 5%, led by a sharp correction in vegetables prices and lower LPG prices. Helped by deflation in the fuel and light category, the retail inflation in October 2023 softened at 4.9%. This trend reversed in November 2023 due to spike in certain vegetable prices as well as sticky inflation in non-perishable food items such as cereals, pulses and spices and the CPI rose to 5.6%. In the month of December 2023, elevated food prices and an unfavourable base drove headline inflation to a four-month peak of 5.7%. However in the month of January and February, food prices softened and the inflation was reported at 5.1% for both the months. March witnessed further softening of prices registering 4.9% growth. For FY24 inflation moderated to 5.4% which are within the boundaries set of 2% to 6% by the RBI.

High inflation in specific food items poses inflation risk, even though an improvement in south-west monsoon and progress in sowing are improving the food inflation outlook. This makes it crucial to monitor monsoon distribution. Additionally, global food prices also show some softening in July, post increases in March 2024. While government initiatives are expected to mitigate upward price pressure, external risks from geopolitical tensions may affect supply chains and commodity prices. The numbers for April 2024-July 2024 show a decline in inflation growth y-o-y to 4.5% as compared to inflation growth y-o-y of 5.3% in April 2023-July 2023 period. For July 2024, CPI inflation stood at 3.5% which has been the lowest retail inflation in the last 5 years. There was a decline in inflation among all groups with significant decline in vegetables, spices, and fruits subgroup. Additionally, food inflation was also at the lowest in this month since June 2023.

Chart 4: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)

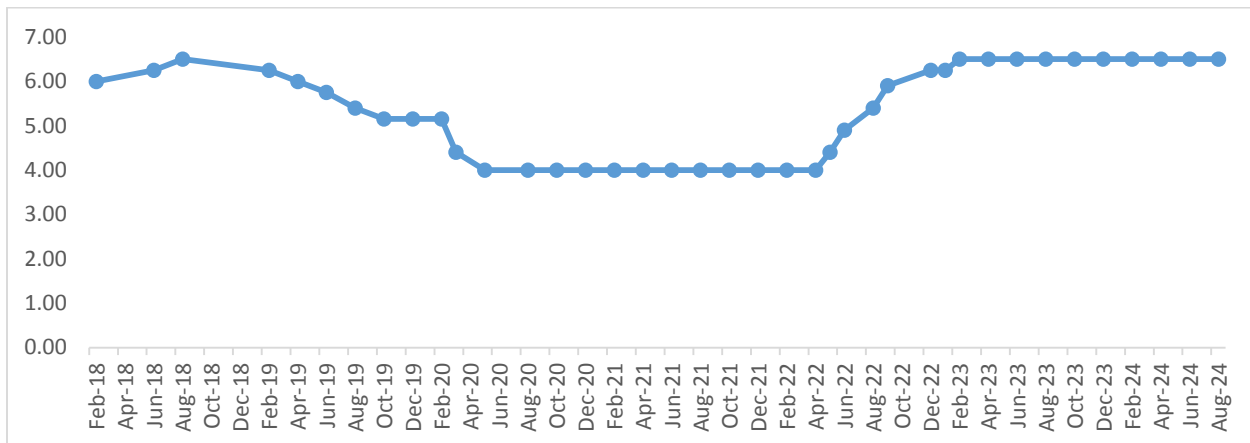


Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in August 2024, RBI projected inflation at 4.5% for FY25 with inflation during Q2FY25 at 4.4%, Q3FY25 at 4.7%, Q4FY25 at 4.3%, and Q1FY26 at 4.4%.

Considering the current inflation situation, RBI has kept the repo rate unchanged at 6.5% again in the August 2024 meeting of the Monetary Policy Committee.

Chart 5: RBI historical Repo Rate



Source: RBI

In a meeting held in August 2024, RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.

Further, the central bank continued to remain focused on the withdrawal of its accommodative stance. While headline inflation has started easing due to softening in core component and economic activity has been resilient supported by domestic and investment demand, volatility in food prices due to adverse weather conditions pose a risk to the path of disinflation. Given the uncertainties in food prices that might derail the path to bring down inflation, the Central Bank has decided to be vigilant and maintain an active disinflationary stance to ensure complete transmission of past rate cuts and anchoring of inflation expectations until a better alignment of the headline CPI inflation with the target is achieved, while supporting growth.

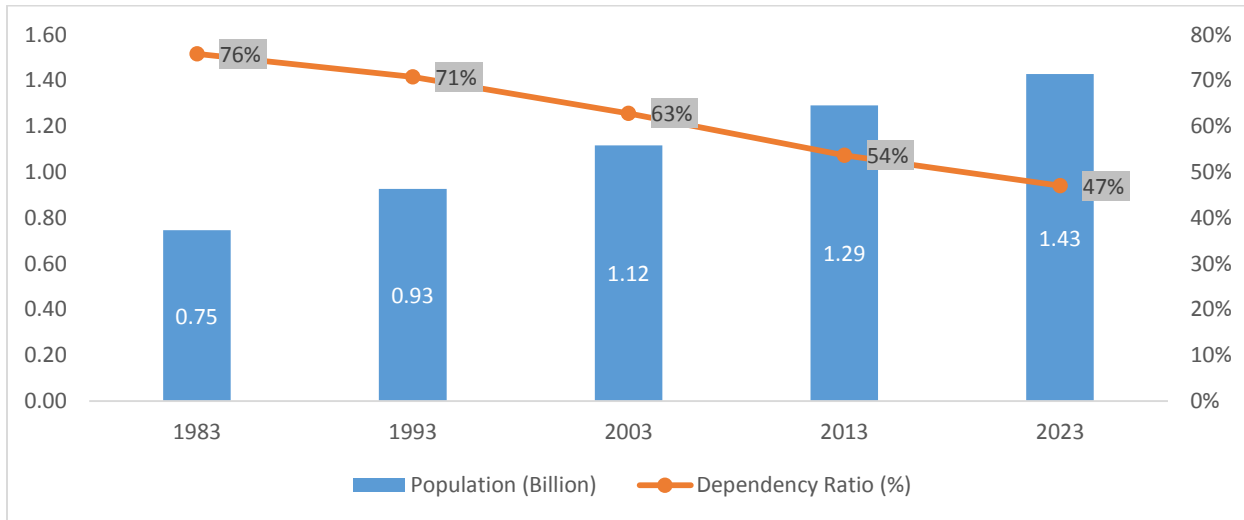
1.2.6 Overview on Key Demographic Parameters

- **Population growth and Urbanization**

The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization. According to the world bank, India’s population in 2022 surpassed 1.42 billion slightly higher than China’s population 1.41 billion and became the most populous country in the world.

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. It was as high as 76% in 1983, which has reduced to 47% in 2023. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy.

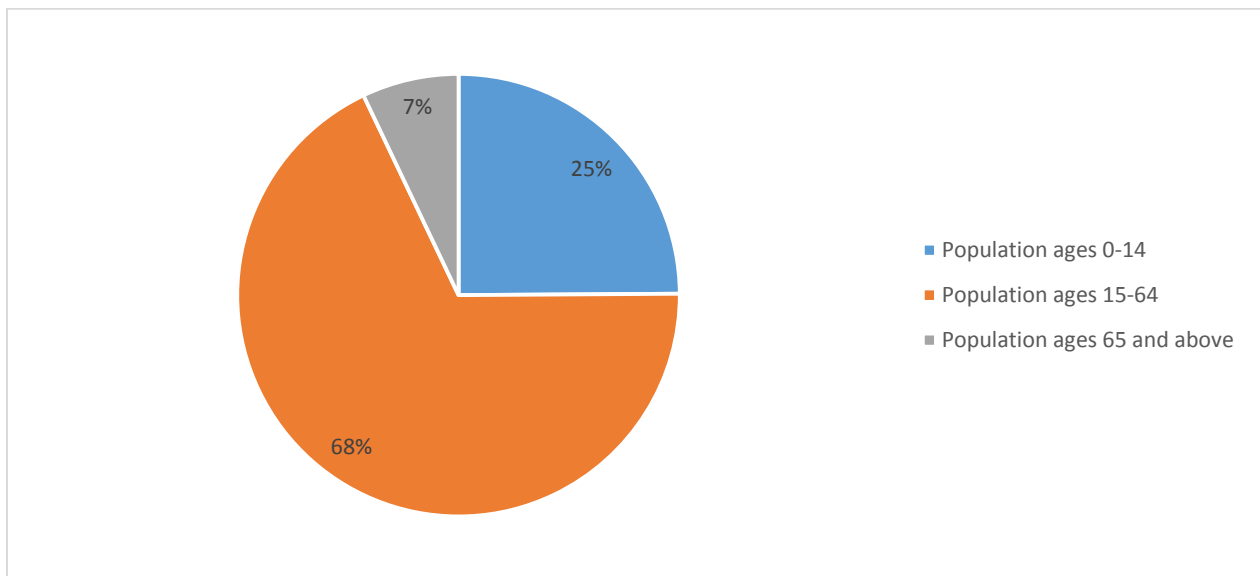
Chart 6: Trend of India Population vis-à-vis dependency ratio



Source: World Bank Database

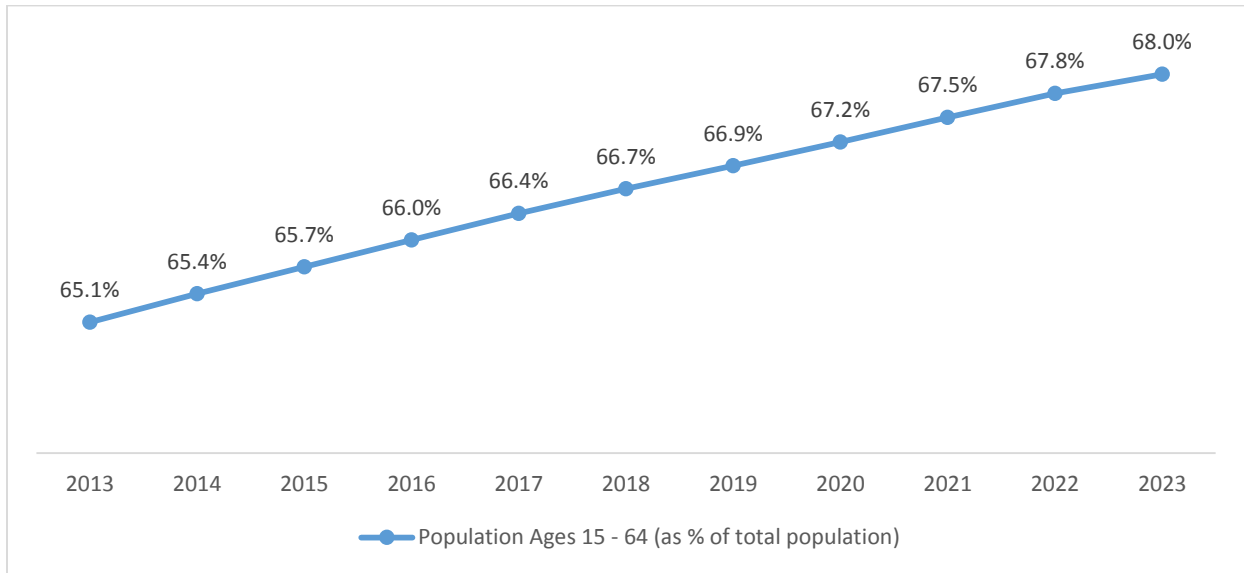
With an average age of 29, India has one of the youngest populations globally. With vast resources of young citizens entering the workforce every year, it is expected to create a ‘demographic dividend’. India is home to a fifth of the world’s youth demographic and this population advantage will play a critical role in economic growth.

Chart 7: Age-Wise Break Up of Indian population



Source: World Bank Database

Chart 8: Yearly Trend - Young Population as % of Total Population

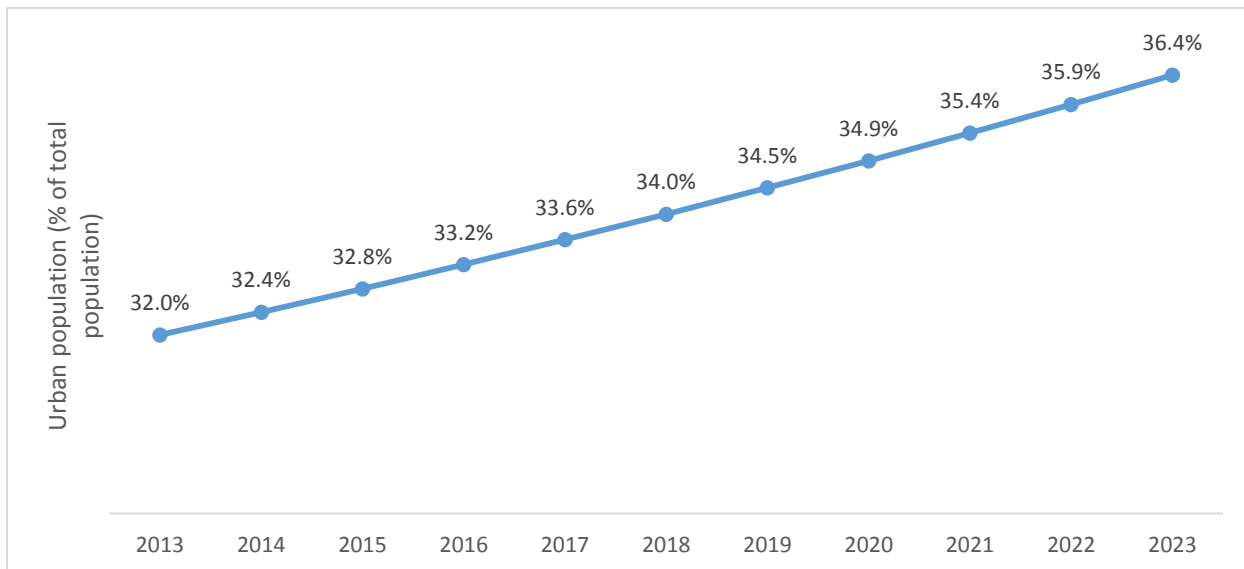


Source: World Bank database

- **Urbanization**

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in 2013 to 519.5 million (36.4% of total population) in the year 2023. People living in Tier-2 and Tier-3 cities have greater purchasing power.

Chart 9: Urbanization Trend in India



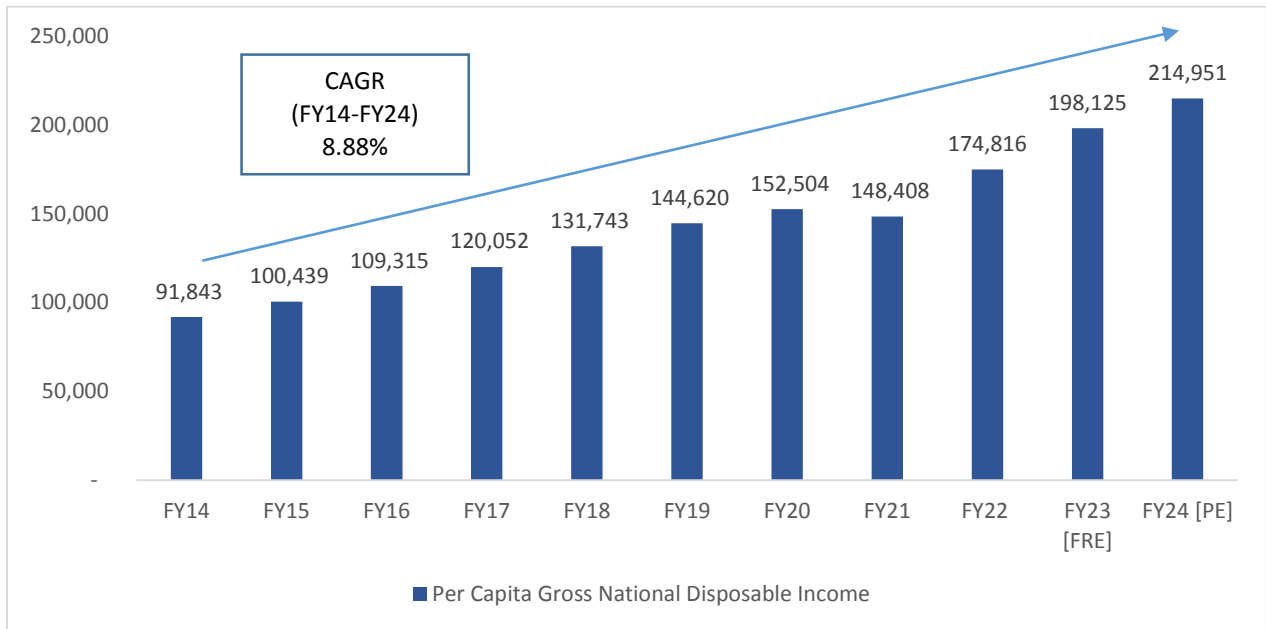
Source: World Bank Database

- **Increasing Per Capita Disposable Income**

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY 14 to FY24, per capita GNDI at current prices registered a CAGR of 8.88%. More disposable income drives more consumption, thereby driving economic growth.

The chart below depicts the trend of per capita GNDI in the past decade:

Chart 10: Trend of Per Capita Gross National Disposable Income (Current Price)

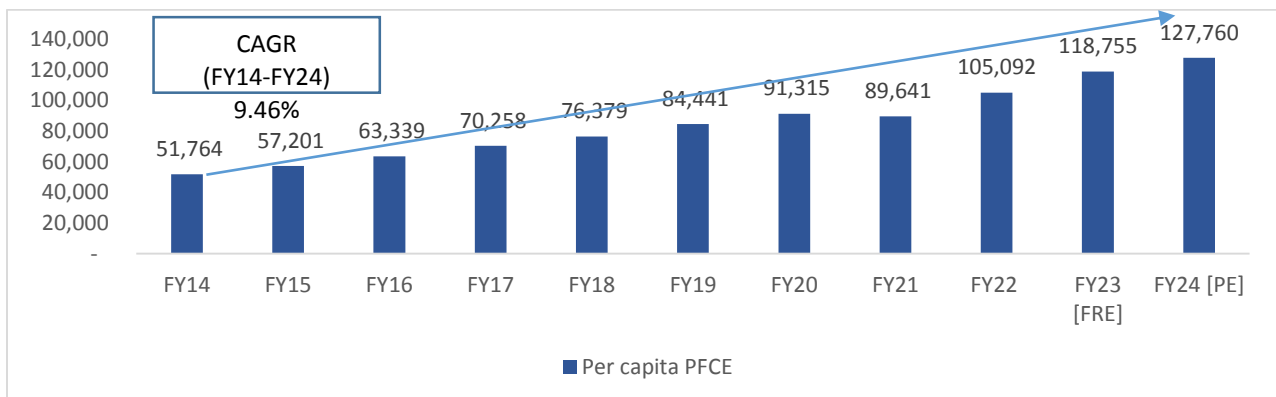


Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate; Source: MOSPI

- **Increase in Consumer Spending**

With increase in disposable income, there has been a gradual change in consumer spending behaviour as well. Private Final Consumption Expenditure (PFCE) which is measure of consumer spending has also showcased significant growth in the past decade at a CAGR of 9.46%. Following chart depicts the trend of per capita PFCE at current prices:

Chart 11: Trend of Per Capita Private Final Consumption Expenditure (Current Price)



Source: MOSPI

1.2.7 Concluding Remarks

The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, high interest rates, inflation woes, volatility in international financial markets, climate change, rising public debt, and new technologies. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. According to IMF's forecast, it is expected to be 7% in CY24 compared to the world GDP growth projection of 3.2%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, investments in technology and improving business confidence.

Likewise, several high-frequency growth indicators including the purchasing managers index, E-way bills, bank credit, toll collections and GST collections have shown improvement in FY24. Moreover, normalizing the employment situation after the opening up of the economy is expected to improve and provide support to consumption expenditure.

The India Meteorological Department (IMD) has made a significant forecast, predicting "above normal" rainfall for the upcoming monsoon season, marking the first time in a decade that such an optimistic outlook has been declared at the initial stage. This forecast, coupled with an anticipated eight-year-high rainfall, offers promising prospects for the agrarian economy and inflation. The expected development of La Nina conditions in the second half of the year (August-September) further adds to the positive outlook. La Nina is a climate patter that tends to enhance rainfall activity. IMD's more optimistic prediction is expected to bolster agricultural growth and incomes, while also potentially alleviating stubborn food inflation pressures.

At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 11.11 lakh crores for FY25. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

2. Global Fluorochemicals & Specialty Gases Industry

2.1 Overview & Market Size

Fluorochemicals are organic or inorganic compounds that contain one or more fluorine atoms. Fluorine compounds find application majorly in commercial and industrial refrigeration, foam blowing agents, heat pump equipment, and solvents. One of the largest segments of global fluorochemicals market is fluorocarbons.

These are the kind of compounds formed when fluorine covalently bonds to carbon atoms in varying number and different configurations. The strength and stability of these bonds provides fluorocarbons with unique properties to function like refrigerants, lubricants, solvents, propellants and stain-repellent products.

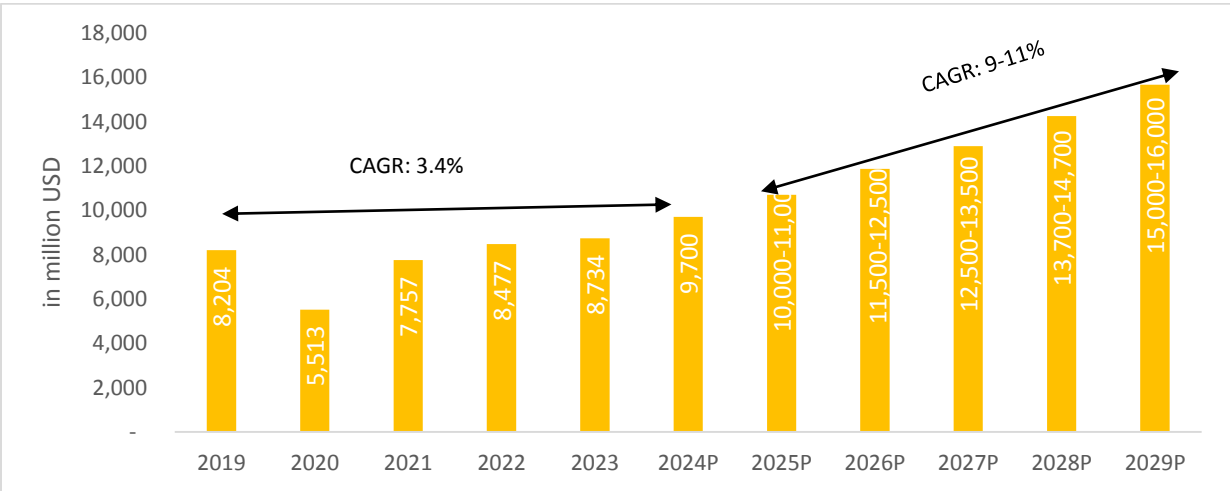
Table 4: Types of Fluorochemicals and Specialty Gases

HCFCs (Hydrochlorofluorocarbons)	Hydrochlorofluorocarbons (HCFC) are the second generation of fluorine-based gases, HCFC was developed as a more environmentally friendly alternative to CFCs, as they have a lower ozone depletion potential (ODP) than CFCs, although they are still greenhouse gases with a medium/high global warming potential (GWP). As HCFCs contribute both to ozone depletion and global warming, the use of HCFCs is being phased out as part of global legislation.
HFCs (Hydrofluorocarbon)	Hydrofluorocarbons (HFC), are synthetic gas gases developed to replace CFC and HCFC. HFC contains fluorine, carbon and hydrogen. HFC have zero Ozone

	Depleting Potential (ODP). However, they have a notably high Global Warming Potential (GWP).
HFOs (Hydrofluoroolefins)	Hydrofluoroolefins (HFOs) are being developed as "fourth generation" refrigerants, HFO are unsaturated organic compounds composed of hydrogen, fluorine and carbon. HFO are categorized as having zero ozone depletion potential (ODP) and low global warming potential (GWP) compared to HFC and so offer a more environmentally friendly alternative to CFC, HCFC, and HFC.

The market for fluorochemicals and specialty gases has been growing and is further forecasted to grow at a CAGR of 9-11% from 9,700 USD million in 2024 to 15,000-16,000 USD million in 2029. The growth is majorly backed by the growing population and rapid urbanization. By application, automotive is the leading user segment for fluorochemicals. A larger population base over the world, warrants a need for more vehicles.

Chart 12: Global Market for Fluorochemicals & Specialty Gases

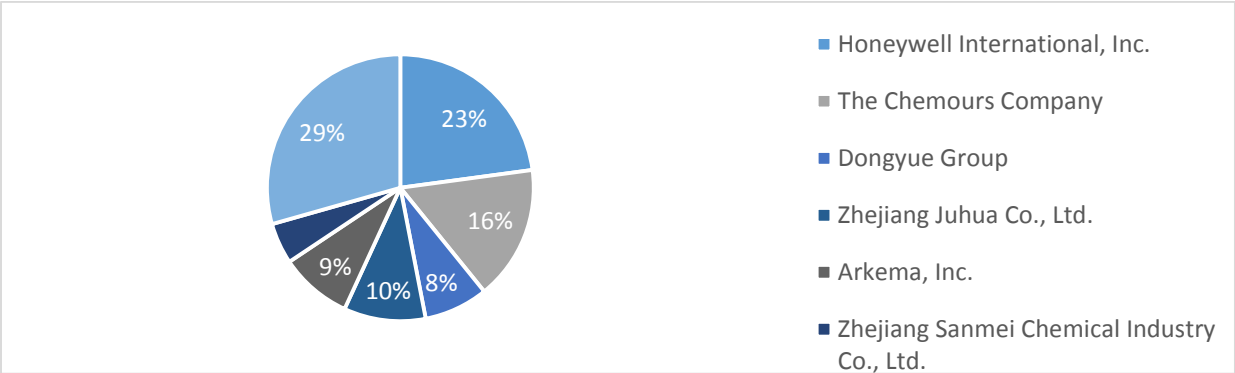


Source: CareEdge Research, Maia Research
 Note: The year mentioned in this chart and subsequent sections is Calendar Year; P: Projected
 The market size includes the HCFC, HFC and HFO gases sub-segments of Fluorochemicals & Specialty Gases

2.2 Major Global Players

The market for fluorochemicals and specialty gases is vast. However, approximately 70% of the market is dominated by 6 players as mentioned below.

Chart 13: Market Share of Major Global Players (in %)



Source: CareEdge Research, Maia Research

- **Honeywell International Inc:** It is a multinational conglomerate corporation founded in 1906 and primarily operates in four areas of business majorly, aerospace, building technologies, performance materials and technologies and safety and productivity solutions. As on 2023, the company has the highest market share of 23%.
- **The Chemours Company:** Founded in 2015, with 35 manufacturing and laboratory sites worldwide that serve customers in approximately 120 countries. The company manufactures and sells performance chemicals that fall into the following segments – Titanium Technologies, Fluoro products and Chemical solutions. The market share of this company in 2023 was 16%.
- **Arkema Inc:** Arkema is a multi-national manufacturer of specialty chemicals founded in 2004. It has three divisions like adhesives, advanced materials and coatings. It operates in 55+ countries, has 13 research centres and 144 production plants. The market share of this company in 2023 was 9%.
- **Dongyue:** It was founded in 1987 and has become the leading in scale environment-friendly refrigerant basement in the world. Dongyue has developed a series of environment friendly and energy saving refrigerants. The market share of this company in 2023 was 8%.
- **Zhejiang Sanmei Chemical:** The company was founded in 2001 and is into manufacturing and distributing chemical products. They produce fluorine refrigerant, blowing agents and other related products. The market share of this company in 2023 was 10%.

2.3 Key Application of Fluorochemicals & Specialty Gases

Fluorochemicals and specialty gases have a range of applications across various industries due to their unique properties. Here are key applications for each:

I. Fluorochemicals:

- **Refrigerants:** Refrigerants are chemicals that produce cooling effect while expanding or vaporizing. Fluorocarbons are commonly used as refrigerants in air conditioning and refrigeration systems due to their low boiling points and thermal conductivity. They are also used in heat pump water heaters, dehumidifiers, refrigerated dryers, cold storage, etc.
- **Foam blowing agents:** A foaming agent is a substance that can create cellular structures by the process of foaming in all range of materials that go through the phase of hardening such as polymers, plastics and metals. Fluorochemicals are used as blowing agents in the production of foams, such as in the manufacturing of insulation materials and packaging foams.
- **Solvents:** Some fluorochemicals serve as specialized solvents in applications where chemical resistance, thermal stability, and electrical insulating properties are essential. The solvents are composed of carbon and fluorine atoms which exhibit a range of interesting characteristics that make them suitable for specific tasks.
- **Fluoropolymers:** Fluoropolymers are a class of synthetic polymers that contain fluorine atoms in their chemical structure. Fluorochemicals play a crucial role in the production of fluoropolymers, serving as monomers or building blocks in the polymerization process. The most common fluorochemicals used in the production of fluoropolymers include tetrafluoroethylene, hexafluoropropylene, etc. Fluoropolymers like PTFE (Teflon) are widely used in the production of non-stick coatings for cookware, gaskets, seals, and as a lining for pipes and tanks due to their chemical resistance.
- **Medical & Electronic Applications:** Fluoropolymers are used in medical applications, such as coatings for medical devices and implants, due to their thermal stability, chemical inertness, biocompatibility and resistance to bodily fluids. Fluorochemicals are used in the electronics industry for applications like etching and cleaning in semiconductor manufacturing.

- **Propellants:** Fluorochemicals are highly regarded and used as propellants for their reliability and durability and are widely used for important components. To improve structural materials and electronic parts, the need for fluorochemicals is increasing.

II. Specialty Gases

- **Analytical Instruments & Calibration Standards:** High-purity specialty gases are crucial for analytical instruments since they provide accurate measurements and analyses. They are used in gas chromatographs, mass spectrometers, and another laboratory equipment. Specialty gases are also used as calibration standards for various instruments, ensuring accuracy and reliability in measurements.
- **Medical Gases:** Gases such as medical oxygen, nitrous oxide, and medical-grade air are critical in healthcare for respiratory therapy, anaesthesia, and other medical applications. Medical gases are used in healthcare settings for patient treatment, diagnostics, and support.
- **Semiconductor Manufacturing:** Specialty gases are essential in semiconductor manufacturing processes, including chemical vapor deposition (CVD) and etching, where precise control of gas composition is crucial.
- **Welding and Metal Fabrication:** Specialty gases are used in metal fabrication processes, including welding and cutting, to provide controlled atmospheres and heat sources.
- **Food and Beverage Industry:** Gases like nitrogen and carbon dioxide are used in the food and beverage industry for packaging, preservation, and carbonation. These gases help in enhancing product quality, safety and shelf life. These applications demonstrate the diverse uses of fluorochemicals and specialty gases in industries ranging from electronics and healthcare to manufacturing and environmental monitoring. The unique properties of these substances make them indispensable in various technological and industrial processes.

3. Indian Fluorochemicals & Specialty Gases Market

3.1 Overview & Market Size

The Indian Fluorochemicals and Specialty Gases market is anticipated to witness robust growth, with a projected CAGR of 16-18% during the forecast period from 2024 to 2029 to reach almost 675-725 USD million. This growth will be driven by rising demand from various industries, including electronics, healthcare, and manufacturing. The market is characterized by a diverse range of products, including fluoropolymers, fluorocarbons, and specialty gases. The growth is also attributed to the ongoing expansion of industries and the increasing demand for high-performance materials. The proliferation of chemical manufacturing facilities in India has further fueled the need for fluorochemicals and specialty gases. These materials are indispensable in various applications, including lining materials for chemical storage tanks, corrosion-resistant linings, gaskets, seals, wire and cable insulation, semiconductor manufacturing, and dielectric materials, due to their exceptional chemical resistance and ability to withstand high temperatures.

The electrical and electronics industry is the largest consumer of fluorochemicals and specialty gases in India, fueled by rapid industrial growth and the increasing demand for electronic devices. Fluorochemicals and specialty gases are essential components in printed circuit boards (PCBs), microelectronics, and LED lighting, driven by their exceptional electrical insulation properties, high dielectric strength, and resistance to extreme temperatures.

Fluorochemicals play a crucial role in propelling the growth of the pharmaceutical and healthcare sector. The Indian pharmaceutical industry's growing demand for innovative and complex drug molecules has driven the need for custom synthesis and advanced fluorination technologies. Specialty gases also play a vital role in medical processes and systems, with customized medical gas mixes utilized in various medical activities, such as patient care, pathology, and research.

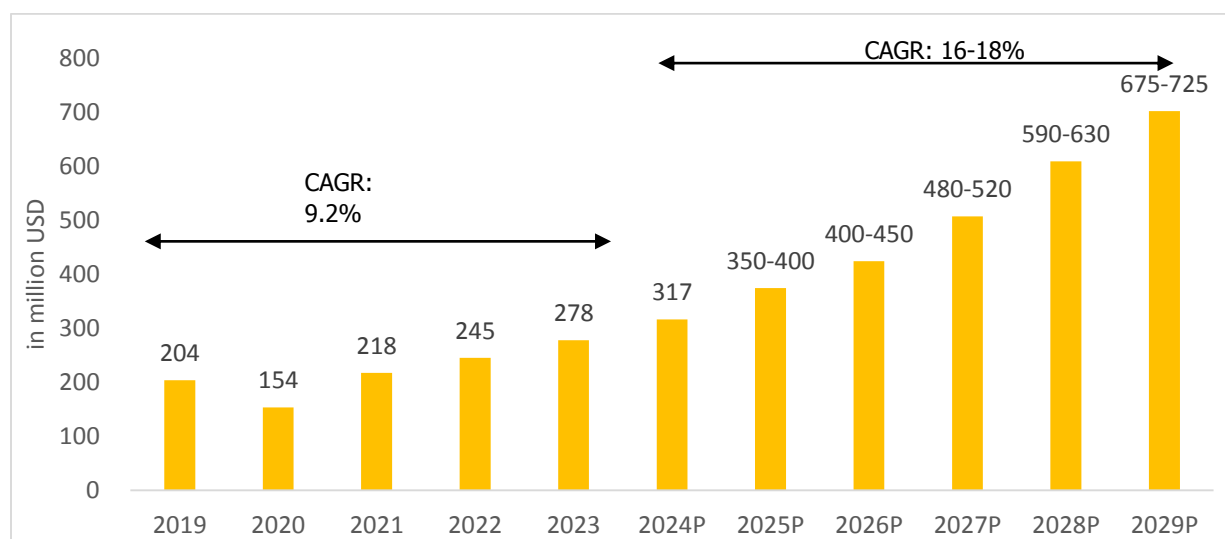
The production of refrigerants in India is a significant contributor to the demand for fluoropolymers, particularly in air conditioning and refrigeration systems. Additionally, fluoropolymers are gaining traction in the automotive,

pharmaceutical, and renewable energy sectors due to their biocompatibility, chemical resistance, and ability to withstand extreme temperatures. Major infrastructure development projects in rising economies such as India provide several opportunities for industry participants. Additionally, rapid technological improvements and product innovations are projected to boost the growth of this market.

The Indian government's "Make in India" initiative has attracted significant foreign investment and technological advancements in the electronics manufacturing sector. This surge in domestic production has further stimulated the demand for specialized fluorochemicals and specialty gases, solidifying the electrical and electronics industry's dominance in the India fluorochemicals and specialty gas market.

By capitalizing on these opportunities and addressing the challenges faced by the industry, such as environmental regulations, pricing volatility, and competition from imports, companies can position themselves for success in the promising Indian fluorochemicals and specialty gases market. The government's focus on promoting manufacturing and infrastructure development is also expected to boost the demand for these products. Companies operating in this market need to focus on developing innovative products, improving production efficiency, and expanding their market reach to capitalize on the growth opportunities.

Chart 14: India Fluorochemicals & Specialty Gases Market Size



Source: CareEdge Research, Maia Research

Note: The year mentioned in this chart is Calendar Year; P- Projected

Note: The market size includes the HCFC, HFC and HFO gases sub-segments of Fluorochemicals & Specialty Gases

3.2 Growth Drivers of Indian Fluorochemicals & Specialty Gases Market

The Indian fluorochemicals and specialty gases market is also benefiting from factors such as Increasing demand for fluorochemicals in construction and infrastructure applications, growing adoption of fluorochemicals in the textile industry for water- and stain-repellency, expanding use of specialty gases in environmental monitoring and pollution control and rising demand for specialty gases in the aerospace and defense sectors. This market is expected to witness significant growth in the coming years, driven by several factors:

- **Industrialization and urbanization in India:**

Industrialization is the process of transformation of any given agricultural society into an industrial society. Industrialization involves social and economic changes and the broad reorganization of the manufacturing economy. Urbanization involves the migration or transfer of rural populations to urban areas. Industrialization and urbanization are interrelated. Increased industrialization increased employment opportunities. These opportunities attract rural people to migrate to cities and build more cities, especially among younger generations. As a result, the construction

industry and service industries have also developed rapidly, creating more jobs. As a result of these events, India's industrialization and urbanization levels increased, and the country's economy rapidly improved. Therefore, the increased industrial categories and output value in the industry have put forward higher requirements for common industrial procedures such as refrigeration and foaming. On the other hand, due to urban population growth and business growth, demand for various end products such as air conditioners, automobiles, electronic products, food, pharmaceuticals, etc. has increased. These factors promote the widespread use of fluorochemicals and specialty gases.

- **Rising Demand from Electronics Industry:**

The increasing demand for semiconductors and electronic devices, particularly in the telecommunications and data storage sectors, is driving the demand for fluoropolymers and specialty gases used in their production. Fluoropolymers are used in printed circuit boards (PCBs), microelectronics, and LED lighting due to their exceptional electrical insulation properties, high dielectric strength, and resistance to extreme temperatures. Specialty gases, such as high purity gases and noble gases, are also used in semiconductor manufacturing and analytical instrumentation.

Electronic systems design and manufacturing (ESDM) is the world's fastest-growing industry, continuing to transform lives, businesses and economies around the world. India is no exception to this. Advances in the electronics industry are not limited to specific areas but encompass all areas. Considerable progress has been made in commercial electronics, software, telecommunications, instrumentation, positioning and networking systems, and defense. Technology transformations such as the rollout of 5G networks and the Internet of Things are driving accelerated adoption of electronics. Initiatives such as "Digital India" and "Smart City" projects have increased the demand for IoT in the electronic equipment market and will undoubtedly usher in a new era of electronic products.

- **Expansion of Healthcare Sector:**

The growing population and increasing healthcare expenditure are driving the demand for fluoropolymers and specialty gases used in medical devices, implants, and surgical equipment. Fluoropolymers like Gore-Tex and PTFE are used in medical devices, such as artificial joints, stents, and catheters, due to their biocompatibility and non-stick properties. Specialty gases, such as medical gases and sterile gases, are used in various medical procedures, including anaesthesia, surgery, and diagnostic imaging.

- **Rising Demand from Manufacturing Industries:**

The expansion of manufacturing industries, particularly in the automotive, aerospace, and chemical sectors, is driving the demand for fluorochemicals and specialty gases used in various applications. Fluorochemicals are used in coatings, paints, and sealants for automotive components, as well as in refrigerants and lubricants. Specialty gases are used in welding, metal cutting, and brazing, as well as in analytical instruments and quality control processes.

- **Wide range of applications of refrigerants:**

Refrigerants are an essential part of modern life, playing a vital role in various industries including healthcare, fire protection, food production and supply, and transportation. For example, food preservation, pharmaceutical storage, cold chain transportation, etc. Every industry has different refrigeration needs, and refrigeration is key to maintaining ideal conditions for your product or process. On the other hand, homes and commercial buildings use a lot of air conditioning equipment. In a world that is rapidly warming and where extreme heat events are more frequent and intense, access to indoor cooling is critical to ensuring health and safety. Air conditioning enables people to work and study efficiently and reduces the risk of heat-related illnesses. Terminal equipment with refrigerant as the core provides refrigeration for these scenarios to ensure normal life and production. The wide range of application scenarios promotes the large-scale use of refrigerants, thus causing the rapid growth of the fluorochemicals and specialty gases industry.

- **Extensive use of Foam Blowing Agents:**

Foam blowing agents are one of the main applications of fluorochemicals. Foam blowing agents are materials that promote foam formation and can reduce the surface tension of a liquid or increase its colloidal stability by inhibiting the coalescence of bubbles, thus forming a uniform and stable foam. Foam blowing agents help create voids in areas that would normally be solid plastic. This not only reduces the weight of the finished product but also reduces the amount of plastic used. Lighter weight products reduce transportation costs and reduce environmental impact. Common areas of use include building insulation, automobiles, furniture, and packaging. In addition, since fluorochemicals form a water film between the flammable liquid and the foam, allowing the foam to spread easily and extinguish the flame quickly, it can be used in firefighting foam. This kind of fire-fighting foam is mainly used to extinguish flammable liquids such as gasoline.

- **Environmental Regulations and Sustainability:**

The growing emphasis on environmental sustainability and emission reduction is driving the demand for fluorochemicals and specialty gases with lower environmental impact. For instance, the use of fluoropolymers in insulation materials can reduce energy consumption and greenhouse gas emissions. Specialty gases, such as fluorinated gases with low global warming potential (GWP), are being increasingly used in refrigeration and air conditioning applications.

- **Government Policies and Initiatives:**

The Indian government's policies, such as the Make in India initiative and the Production Linked Incentive (PLI) Scheme, are encouraging domestic production and investment in the fluorochemicals and specialty gases sectors. These policies aim to reduce reliance on imports, enhance manufacturing capabilities, and promote innovation in these industries.

3.3 Opportunities under Indian Fluorochemicals & Specialty Gases Market

The Indian fluorochemicals and specialty gases market presents numerous opportunities for growth and expansion. The Upgrade and iteration of Fluorochemicals products, whether used as refrigerants or blowing agents, the product performance, ozone depletion potential (ODP), and global warming potential (GWP) of fluorochemicals have attracted much attention. Fluorochemicals have undergone many generations of product improvements. The first generation of fluorochemicals used as refrigerants and blowing agents were chlorofluorocarbons (CFCs), which have been phased out globally due to their serious damage to the ozone layer. The second generation is hydrochlorofluorocarbons (HCFCs). Although these products contain chlorine, the incorporation of hydrogen makes them less damaging to the ozone layer. In developed countries and regions such as Europe and the United States, this type of product has been banned. On the other hand, developing countries still use it, but it is expected to be banned by 2040. The third generation is hydrofluorocarbons (HFCs), which are substances that help prevent damage to the ozone layer. The 1987 Montreal Protocol proposed phasing out the use of chlorofluorocarbons and other ozone-depleting substances, resulting in the widespread use of hydrofluorocarbons (HFCs). However, it was found to be a compound that contributes to the greenhouse effect. Hydrofluorocarbons (HFCs) were listed as greenhouse gases in the 1997 Kyoto Protocol. The fourth generation is hydrofluorocarbons (HFO), which are derived from participating fuels produced in the crude oil distillation process and have low global warming potential (GWP) and low ozone depletion potential (ODP). It is considered an environmentally friendly alternative to other types of fluorochemical products.

Some of the opportunities for growth in this market includes:

- **Expanding Industrial Demand:**

The increasing demand for fluorochemicals and specialty gases across various industries, including electronics, healthcare, manufacturing, construction, and textiles, presents a significant growth opportunity for market players.

- **Import Substitution:**

The Indian government's focus on import substitution and promoting domestic manufacturing creates an opportunity for companies to establish themselves as key suppliers of fluorochemicals and specialty gases, reducing reliance on imports.

- **Innovation and Technology Advancement:**

The development of new and innovative fluorochemicals and specialty gases with improved properties and applications can expand market reach and cater to emerging needs.

- **Environmental Sustainability:**

The growing emphasis on environmental sustainability and emission reduction opens up opportunities for the development of eco-friendly fluorochemicals and specialty gases with lower environmental impact.

- **Expansion into New Applications:**

Exploring untapped applications and expanding into new markets, such as renewable energy, nanotechnology, and biotechnology, can create fresh growth avenues for market players.

- **Strategic Partnerships and Collaborations:**

Forming strategic partnerships and collaborations with industry leaders, research institutions, and technology providers can accelerate innovation and market expansion.

- **Focus on Capacity Building and Infrastructure:**

Investing in capacity expansion and upgrading infrastructure can help companies meet the growing demand and enhance their competitive edge.

- **Export Potential:**

Expanding into international markets and exploring export opportunities can provide additional growth avenues for Indian fluorochemicals and specialty gases companies.

3.4 Government policies regarding specialty gases and shifting from Sunset Gases (CFC, HCFC) to Sunrise Gases (HFO)

The shift from CFC and HCFC gases to HFO gases in India is a critical step towards reducing the country's greenhouse gas emissions and mitigating climate change. CFCs (chlorofluorocarbons) and HCFCs (hydrochlorofluorocarbons) are potent ozone-depleting substances and greenhouse gases that have been widely used in refrigerants, foam-blowing agents, and other applications. However, due to their environmental impact, the production and consumption of CFCs and HCFCs have been phased out under the Montreal Protocol, an international treaty aimed at protecting the ozone layer.

HFOs (hydrofluoroolefins) are a class of fluorinated gases that offer a number of advantages over CFCs and HCFCs. They have a very low global warming potential (GWP), which means they trap less heat in the atmosphere than CFCs and HCFCs. Additionally, HFOs have a shorter atmospheric lifetime, meaning they break down more quickly in the atmosphere.

The transition to HFOs in India is being driven by a number of factors, including:

- The Montreal Protocol's phase-out of CFCs and HCFCs
- India's commitment to reducing greenhouse gas emissions
- The availability of affordable HFO alternatives

The Indian government has implemented a number of policies to support the transition to HFOs, including:

- Providing financial incentives for the production and use of HFOs
- Raising awareness of the environmental benefits of HFOs
- Supporting the development of HFO-based technologies

Here are some of the benefits of shifting from CFC and HCFC gases to HFO gases in India:

- **Reduced ozone depletion:** HFOs do not deplete the ozone layer, unlike CFCs and HCFCs.
- **Reduced greenhouse gas emissions:** HFOs have a very low global warming potential (GWP), which means they trap less heat in the atmosphere than CFCs and HCFCs.
- **Improved energy efficiency:** HFO-based refrigerants can be more energy efficient than CFC- and HCFC-based refrigerants.
- **Reduced health risks:** HFOs are not as toxic as CFCs and HCFCs.

The Government of India, in recognition of HFCs' role in amplifying global warming, agreed to curtail HFC emissions, as part of the Kigali Amendment to the Montreal Protocol. India invoked its global leadership and negotiated for a longer timeline for itself, as part of a distinct track of countries, to phase-down emissions arising from HFC production and consumption. This timeline was markedly different from that of other country groupings, keeping in mind the technological and financial burden that such a transition would place on its development agenda. This extended phase-down period allows India to recalibrate strategies and plans to successfully meet its international commitments, while ensuring that gains on other domestic frontlines, such as industrial productivity, jobs and skilling, manufacturing capacity, technology improvements and R&D, and energy efficiency, are optimised.

Table 5: Phase-down commitments under the Kigali Amendment to the Montreal Protocol

Baseline years	»» 2011, 2012, 2013	»» 2011, 2012, 2013	»» 2020, 2021, 2022	»» 2024, 2025, 2026
Baseline Calculation	Average production/ consumption of HFCs in baseline years, plus 15% of hydrochlorofluorocarbon (HCFC) baseline production/consumption	Average production/ consumption of HFCs in baseline years, plus 25% of HCFC baseline production/consumption	Average production/ consumption of HFCs in baseline years, plus 65% of HCFC baseline production/consumption	Average production/ consumption of HFCs in baseline years, plus 65% of HCFC baseline production/consumption
Reduction Step 1	2019: 10%	2020: 5%	Freeze: 2024	Freeze: 2028
Reduction Step 2	2024: 40%	2025: 35%	2029: 10%	2032: 10%
Reduction Step 3	2029: 70%	2029: 70%	2035: 30%	2037: 20%
Reduction Step 4	2034: 80%	2034: 80%	2040: 50%	2042: 30%
Reduction Step 5	2036: 85%	2036: 85%	2045: 80%	2047: 85%

Source: CareEdge Research, CEEW (Council on Energy, Environment and Water)

Note: Based on OzonAction (2016). * This is calculated as 85 per cent of the average production/consumption of HFCs in baseline years, plus 25 per cent of HCFC baseline production/ consumption (average for the years 2024–2026).

The Indian fluorochemicals and specialty gases market is expected to witness significant growth in the coming years. The shift from CFC and HCFC gases to HFO gases is a positive step for India's environment and its commitment to climate change mitigation. As the transition continues, India is expected to see further reductions in ozone depletion and greenhouse gas emissions, as well as improved energy efficiency and reduced health risks.

3.5 Government Initiatives & Policies for Fluorochemicals & Specialty Gases in India

The Indian government has implemented several policies and initiatives to promote the development and growth of the fluorochemicals and specialty gases industry. These initiatives aim to address the challenges faced by the industry, such as high dependence on imports, lack of domestic manufacturing capabilities, and the need for innovation and technology advancement. Some of the key government policies in this regard includes:

- **Fluorochemicals and Specialty Gases (FSG) Policy:**

The FSG Policy provides a comprehensive framework for the development and growth of the fluorochemicals and specialty gases industries in India. The policy outlines the government's objectives, strategies, and measures to promote the industry, including:

- Promotion of domestic production of fluorochemicals and specialty gases
- Encouragement of FDI and technology transfer
- Support for research and development
- Development of infrastructure for production, storage, and transportation
- Promotion of exports

- **The Hydrocarbon Exploration and Licensing Policy (HELP):**

The HELP is a policy initiative aimed at boosting domestic production of oil and gas in India. The policy provides a transparent and simplified mechanism for awarding exploration and production (E&P) contracts. This is expected to create opportunities for the specialty gases industry, as it will require increased demand for specialty gases used in exploration and production activities.

- **The Make in India Initiative:**

Make in India is a national program that aims to transform India into a global manufacturing hub. This initiative provides various incentives and support including tax breaks, subsidies, and access to capital to domestic manufacturers of fluorochemicals and specialty gases, encouraging investment and expansion in the sector.

- **The Production Linked Incentive (PLI) Scheme:**

The PLI Scheme is a government program that provides financial support to companies that invest in manufacturing high-tech products. The scheme has been extended to the fluorochemicals and specialty gases sector, offering incentives for the production of high-purity gases, noble gases, and medical gases. This scheme is expected to attract investment these industries and boost domestic production.

- **The National Gas Policy:**

The National Gas Policy outlines the government's strategy for promoting the development and utilization of natural gas in India. The policy emphasizes the importance of natural gas as a cleaner and more efficient fuel source compared to coal. It also encourages the development of natural gas pipelines and infrastructure to facilitate the transportation and distribution of natural gas. This policy is expected to create demand for specialty gases used in natural gas processing and transportation.

- **The Petroleum and Natural Gas Regulatory Board (PNGRB):**

The PNGRB is a regulatory body established by the GoI to regulate the natural gas sector in India. The PNGRB regulates the pricing, transportation, and distribution of natural gas. It also sets standards for the quality and safety of natural gas and its transportation infrastructure. The PNGRB's regulations are expected to promote the efficient and safe use of natural gas, which will create demand for specialty gases used in various natural gas applications.

- **Regulatory Compliance and Certifications:**

The government is working to simplify and streamline regulatory compliance procedures for the fluorochemicals and specialty gases industries. This includes initiatives such as providing clear and consistent guidelines, reducing the number of approvals required, and promoting self-certification.

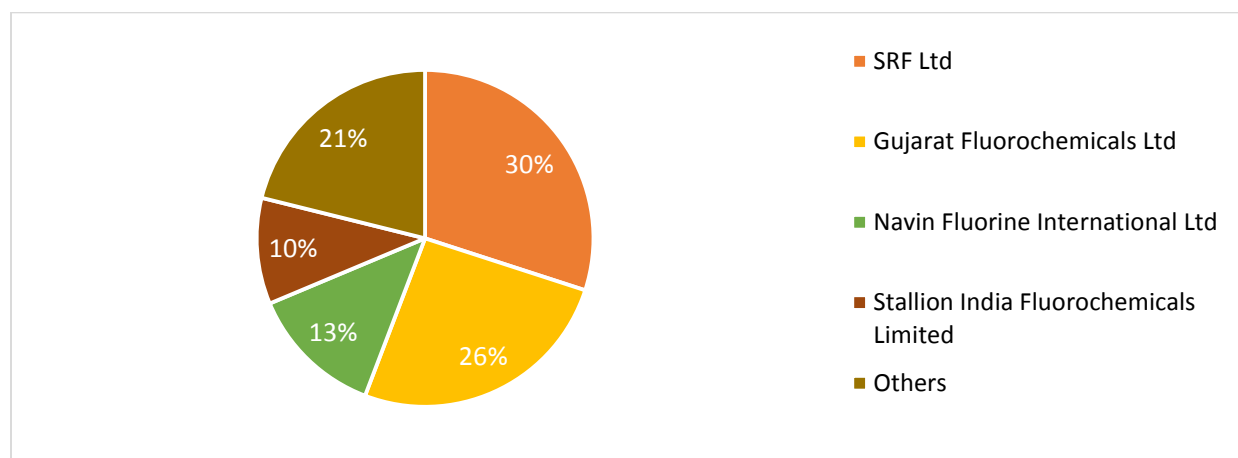
- **Sustainability Initiatives:**

The government is promoting the use of fluorochemicals and specialty gases with lower environmental impact. This includes initiatives such as promoting the use of recycled fluoropolymers, developing eco-friendly manufacturing processes, and supporting research on the development of new environmentally sustainable fluorochemicals and specialty gases.

3.6 Major Indian Players

The below mentioned four companies together contribute to nearly about 78% of market share. Major Indian players of the fluorochemicals and specialty gas industry is as follows:

Chart 15: Market Share for Indian Players (in %)



Source: CareEdge Research, Maia Research

Note: Market share is derived basis Calendar Year (CY)

- **SRF Ltd:** Founded in 1970, SRF limited is an Indian multi-business conglomerate engaged in manufacturing of industrial and specialty intermediates. The company’s portfolio covers fluorochemicals, specialty chemicals, packaging films, coated and laminated fabrics. They have total 11 manufacturing plants across India, Thailand, South Africa and Hungary. As on 2023, SRF Ltd has the highest market share of 30%
- **Gujarat Fluorochemicals Ltd (GFL):** Gujarat Fluorochemicals was incorporated in 1987 and is an industrial refrigerant manufacturer in India. It is one of the largest producers of chloromethane, refrigerants and polytetrafluoroethylene (PTFE). GFL has 2 manufacturing plants in Gujarat, a refrigerant plant at Ranjitnagar and PTFE facility at Dahej. GFL has the second highest market share of 26% as on 2023.
- **Navin Fluorine International Ltd (NFIL):** NFIL was established in 1967 and is one of the largest integrated fluorochemicals complexes in India with manufacturing locations at Dahej and Surat and Dewas. Their main business units are – refrigeration gases, inorganic fluorides, specialty fluorides and contract development and manufacturing organisation. As of 2023, NFIL has the third highest market share of 13%.
- **Stallion India Fluorochemicals Ltd:** Stallion India Fluorochemicals Limited, established as a player in the Indian fluorochemicals market, mainly catered in producing high-quality fluorinated compounds. The company

specializes in the manufacture of key products such as refrigerants, non-refrigerants and prefilled cans. The company has a market share of 10% as of 2023.

3.7 Major Risk Factors to the Industry

Some of the common risk factors associated with fluorochemicals and specialty gas industry are;

- **Flammability and Explosiveness:** Fluorochemicals and specialty gases are commonly used in various industrial applications, including electronics manufacturing, pharmaceuticals, and the semiconductor industry. While these substances serve important functions, it's crucial to consider their flammability and explosiveness risk factors to ensure safety in handling, storage, and transportation. Adequate safety protocols and precautions must be in place to prevent accidents, including proper storage, handling, and transportation procedures.
- **Chemical exposure and toxicity:** There are various health hazards and associated with the exposure to chemicals because of the toxic nature of the chemicals. Managing the **exposure** and toxicity risks requires a comprehensive approach which includes proper handling procedures, risk assessment, engineering controls and adherence to regulatory standards.
- **Regulatory Compliance:** The chemical industry is subject to various regulations and standards. And the non-compliance of these regulations can **result** in legal and financial consequences. Staying informed about these regulations and being compliant is of utmost importance.
- **Supply chain disruptions:** Fluorochemicals and specialty gases industry relies heavily on global supply chain for raw materials and other components. Due to any natural disaster or geopolitical event, the companies in this sector may be impacted which in turn **will** adversely affect the product and distribution in our country.
- **Technological risks:** The industry relies on advanced technologies for the production and purification process of the chemicals and gases. In case of **any** technological failures or outdated infrastructure, it can lead to operational disruption, safety issues and increased costs.
- **Global Economic Factors:** Fluctuations of downturns in currency exchange rates directly impact the profitability of the companies in fluorochemicals and **specialty** gases industry. This makes it essential for companies to manage financial risk and maintain financial resilience.
- **Emerging contaminants and substitutes:** There is a need to replace traditional fluorochemicals and there are alternatives being developed. And the industry may face challenges related to the new contaminants or chemicals.

Companies in the industry need to be proactive and in identifying and managing these risk factors to ensure the safety of workers, compliance with regulation and overall business continuity.

3.8 SWOT Analysis

Strength	Weakness
<ul style="list-style-type: none"> • Chemical expertise • High entry barriers • Regulatory compliance • Global market presence 	<ul style="list-style-type: none"> • Technological risk • Supply chain constraints • Dependence on raw materials • Market volatility
Opportunities	Threat
<ul style="list-style-type: none"> • Emerging markets • Diversification of product portfolio • Green technologies • Strategic partnerships 	<ul style="list-style-type: none"> • Regulatory changes • Competitive pressure • Substitute products • Geopolitical risks

Source: CareEdge Research, Maia Research

I. Strengths

- **Chemical expertise**

Companies in this industry typically possess advanced chemical expertise, allowing them to develop and produce specialized fluorochemicals and gases.

- **High entry barriers**

Due to specialized knowledge, technology and infrastructure required, this industry has high entry barriers reducing the threat of new entrants.

- **Regulatory compliance**

Adherence to strict safety and environmental regulations is a strength as it ensures responsible business practices and minimizes legal and reputational risks.

- **Global market presence**

Many companies in this industry operate on a global scale and are majorly into exports, allowing for a broad customer base and diversified markets.

II. Weakness

- **Technological risk**

Reliance on advanced technologies can become a weakness if there are technological failures or difficulties in keeping up with rapid advancements.

- **Supply chain constraints**

The industry's reliance on a complex global supply chain makes it susceptible to disruptions, such as geopolitical events or natural disasters.

- **Dependence on raw materials**

Companies are vulnerable to fluctuations in the prices and availability of raw materials required for production.

- **Market volatility**

Economic downturns or changes in market demand adversely impact the industry's profitability and stability.

III. Opportunities

- **Emerging markets**

There are opportunities for expansion and growth in emerging markets where demand for fluorochemicals and specialty gas is growing.

- **Diversification of product portfolio**

Companies in this industry can explore diversification of their product offerings to meet the evolving needs of customers and expand their market share.

- **Green technologies**

The industry can explore opportunities in developing environmentally friendly or green technologies to address increasing concerns about sustainability.

- **Strategic partnerships**

Collaborations and partnerships with other industries or research institutions can foster innovation and open new avenues for growth.

IV. Threat

- **Regulatory changes**

When companies are not able to adapt quickly to changes in environmental or safety regulations, it can pose as a threat.

- **Competitive pressure**

Intense competition within the industry may lead to price wars and reduced profit margins.

- **Substitute products**

The development of alternative products or technologies could pose a threat to traditional fluorochemicals and specialty gases.

- **Geopolitical risks**

Political instability or trade disputes can disrupt the global supply chain and impact the industry's operations.

Companies can analyse all of the above and leverage strengths, address weaknesses, capitalize on opportunities, and mitigate threats.

3.9 Outlook

The Indian chemical industry has witnessed steady growth in the past decade and the potential for future growth continues to remain healthy. In the Indian chemicals and petrochemicals sector, an investment of Rs.8 lakh crore is estimated by 2025. The upward momentum in demand for inorganic and organic chemicals is estimated to continue to remain healthy backed by low per capita consumption of chemicals (including agrochemicals), rising demand for specialty chemicals, expected growth in downstream sectors like colours, paints, pigments, coatings, pharma, textiles, and personal care, and the thriving diversified manufacturing base.

In coming years, India is expected to grow as both, a manufacturing capital for valued goods and a consumer-driven economy. The industry is likely to benefit from the improvement in investment climate, speedy approval of projects, and proposed reform measures that would translate into higher industrial activity, and in turn, generate higher demand for chemicals. Additionally, the increasing research & development (R&D) investments will contribute to the inorganic chemicals market growth in the near-to-medium term.

Furthermore, the fluorochemicals and specialty gas market demand in India will be stable and driven by rapid industrialization and growing population. Automotive segment demand is also expected to grow at a healthy pace and it is a leading segment where fluorochemicals are used. The increasing use of aluminium in the automotive segment is expected to drive the demand for fluorochemicals.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward- Looking Statements” on page 17 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 28 and 265, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.

The manner in which operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Red Herring Prospectus.

Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscal 2024, 2023, 2022 and for the period ended September 30, 2024, included herein is derived from the Restated Financial Information, included in this Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to “we” or “us” mean Stallion India Fluorochemicals Limited for further information relating to various defined terms used in our business operations, see “Definitions and Abbreviations” on page 1

Overview

Our Company, commonly known as Stallion, is a Mumbai-based company incorporated on September 05, 2002 in Mumbai by Shazad Sheriar Rustomji, who currently serves as the Chairman & Managing Director and is also one of the Promoter of the Company.

We are into the business of selling Refrigerant and Industrial Gases and related products. Our primary business consists of debulking, blending and processing of Refrigerant and Industrial gases, selling of pre filled cans and small Cylinders/ Containers.

We have four facilities located in Khalapur (Maharashtra), Ghiloth (Rajasthan), Manesar (Haryana) and Panvel (Maharashtra). Each of these facilities is designed and equipped to store gases in a controlled environment, ensuring adherence to the safety standards.

Our gases find application in various industries/segments such as Air conditioners & Refrigerators, Fire Fighting, Semiconductor manufacturing, Automobile Manufacturing, Pharma and Medicals, Glass bottle manufacturing, Aerosols and Spay foam. With over two decades of experience in Fluorochemicals debulking bottling & distribution, we specialize in refrigerants gases by blending two or more gases to create new formulations, the below table sets forth information on our products and its uses:

Application of our Products	Industry where our Products are utilized	Products supplied by us (Gases)	
		Debulked Products*	Blended Products*
Aerosol	Aerosol manufacturers, Pharma, Paint, Adhesives	DME, R152a, R134a	-
Blowing Agent	Polystyrene and Polyurethane foam Manufacturers	R-1233zd, R152a, R-245fa, R134a	-
Treatment Gas	Glass Industry	R-152a	-
Insulating Gas	Electricity Transmission & Circuit breaker Industries	SF6, CF4	-
Auto air-conditioning	Auto Manufacturers	R-134a, R1234yf	-
Large Stationary HVAC	Air-conditioning Chiller manufacturer	R-1233zd,R-134a,R1234ze	R410a, R1234yf/ R134a

Application of our Products	Industry where our Products are utilized	Products supplied by us (Gases)	
		Debulked Products*	Blended Products*
Air conditioners	Air conditioner Manufacturers	R-32	R-410a, R407C, R454B,
Cold Rooms	Cold Storages and cold rooms	-	R-507, R-407F, R-404a
Ultra low temperature	Blood Banks, Lab Equipment, Lypholyzers, Cryo Systems	R-23	R-508B
Refrigerators	Refrigerator Manufacturers	R600a, R134a	-
Fire Extinguishants	Fire Fighting	R-227ea, R236fa, R125	-

*For the detailed names and types of the Products and Raw Materials please refer “Our Business-Products” on page 139 and “Our Business-Procurement and Raw Material on page 164” of the DRHP.

We deal in gases that are broadly classified as Fluorochemicals. They are majorly used as refrigerants. Primarily these gases fall in the categories Known as:

- HC (Hydrocarbons)
- HFC’s (Hydrofluorocarbons)
- HFO’s (Hydrofluoroolefins).

Revenue generated from gases are as below:

(₹ In lakhs)

Product Name	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
R32	1,851.12	7,539.23	11,568.91	8,671.18
R152a	1,414.41	2,450.07	2,175.97	2,638.38
R410a	1,512.51	1,763.03	1,599.36	3,134.19
R134a	449.96	1,732.20	1,511.86	650.58
SF6	3,639.81	2,736.70	63.23	41.38
R404a	667.01	499.12	221.46	848.10
R407c	123.76	155.88	325.51	688.30
R245fa	985.90	498.10	285.00	25.92
R-1234YF	234.11	435.10	369.31	276.01
R 227ea	169.60	126.24	-	256.00
R1234ZE	418.78	167.80	153.02	-
R 1233ZD	51.22	107.86	104.65	20.32
R23	53.93	126.15	16.20	61.34
R-508B	31.83	42.67	27.56	85.56
R 507	54.37	34.42	7.35	24.78
R-407F	-	-	-	8.78
CF4	-	6.48	0.44	-

Our Revenue from Operation generated during period ended September 30, 2024 and last three Fiscal years is as below:

(₹ in lakhs)

Particulars	September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	%	Revenue	%	Revenue	%	Revenue	%
Revenue from Operation								
Sale of Gases & Other Related Products	14,067.27	99.96	23,316.30	99.96	22,538.14	99.95	18,557.95	99.84
Other Operating Income	5.87	0.04	7.28	0.04	12.30	0.05	30.32	0.16
Total Revenue from Operation	14,073.15	100.00	23,323.58	100.00	22,550.44	100.00	18,588.27	100.00

Sale of Gases & Related products

(₹ in lakhs)

Product category	September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
	Revenue	Revenue	Revenue	Revenue
Sale of Gases & related products				
Refrigerants Sales	12,286.87	19,085.47	18,848.57	17,795.49
Other Products				
Cylinders	451.34	750.74	208.74	65.19
Paint	-	46.63	-	-
Washer Pump	73.50	494.33	244.21	-
Refrigerants Cans (Filled & Empty)*	983.04	2,493.45	3,222.25	631.03
Vaccum Pump, AC Cleaner, Anti Rust Lubricant, Wooden pallets & Spectra Shield, Valves & Caps etc.	259.41	429.75	1.05	66.24
Spare Parts of Washer	13.11	15.93	13.31	-
Total	14,067.27	23,316.30	22,538.14	18,557.95

* Following the COVID-19 pandemic in 2020, there was a notable increase in the demand for portable refrigerant cans. This shift enabled service teams to conveniently transport these small cans in their service bags. In response to this trend, Stallion made a significant transition to adopting refrigerant cans on a large scale.

Industry Wise revenue bifurcation as at September 30, 2024 and for the last 3 fiscal years are as below;

(₹. in lakhs)

Particulars	As at September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	Revenue	% of Total Revenue	Revenue	% of Total Revenue
Automobile Industry	1,388.71	9.87%	3,608.94	15.47%	4,254.90	18.87%	1,124.87	6.05%
Stationary segment (Chillers and Central airconditioning Plants)	1,300.12	9.24%	1,846.97	7.92%	1,653.35	7.33%	1,599.28	8.60%
Room A/C Segment (window air conditioners, split & Package A/C)	3,236.99	23.00%	8,791.77	37.69%	12,854.04	57.00%	11,240.00	60.47%
Aerosols products segment (Sprays , spray cans , propellant for Pharma MDI)	806.12	5.73%	1,687.79	7.24%	1,166.96	5.17%	1,481.76	7.97%
Glass Treatment (for glass Industry)	424.32	3.02%	735.02	3.15%	652.79	2.89%	791.51	4.26%
Foam Blowing application (Polystyrene and Polyurethane foam industry)	1,268.78	9.02%	988.11	4.24%	720.19	3.19%	553.60	2.98%
Fire extinguishants (firefighting Industry)	169.60	1.21%	126.24	0.54%	0.00		256.00	1.38%
Cold rooms & cold chain (cold storage, transport refrigeration, deep freezer)	855.28	6.08%	908.30	3.89%	394.17	1.75%	1,107.19	5.96%
Refrigerator Manufacturers	147.60	1.05%	410.85	1.76%	279.05	1.24%	201.97	1.09%
Electrical Insulation Gases (circuit breaker and GIS manufacturer)	3,639.81	25.86%	2736.70	11.73%	63.23	0.28%	41.38	0.22%
aftermarket sales (allied equipment and parts sales to dealer network)	377.02	2.68%	703.13	3.01%	290.16	1.29%	28.96	0.16%
Other sales (Products other than above segments, i.e. spectra shield fibre, etc)	7.46	0.05%	-	-	12.42	0.06%	96.51	0.52%
Cylinders (all gas is sold in cylinders hence sale of cylinders for above)	451.34	3.21%	750.74	3.22%	208.74	0.93%	65.24	0.35%
Semiconductor Gases for use in semiconductor industry	-	-	15.23	0.07%	0.44	0.00%	-	-
Total Revenue from operations	14,073.15	100%	23,323.58	100%	22,550.44	100%	18,588.27	100%

Note: We provide fluorochem gas to various customers, catering various industry. Single gas say R134a (taken for example) is sold by us which is used in various application and industry. Hence at industry level it is impractical to bifurcate revenue. Above revenue bifurcation is based on uses.

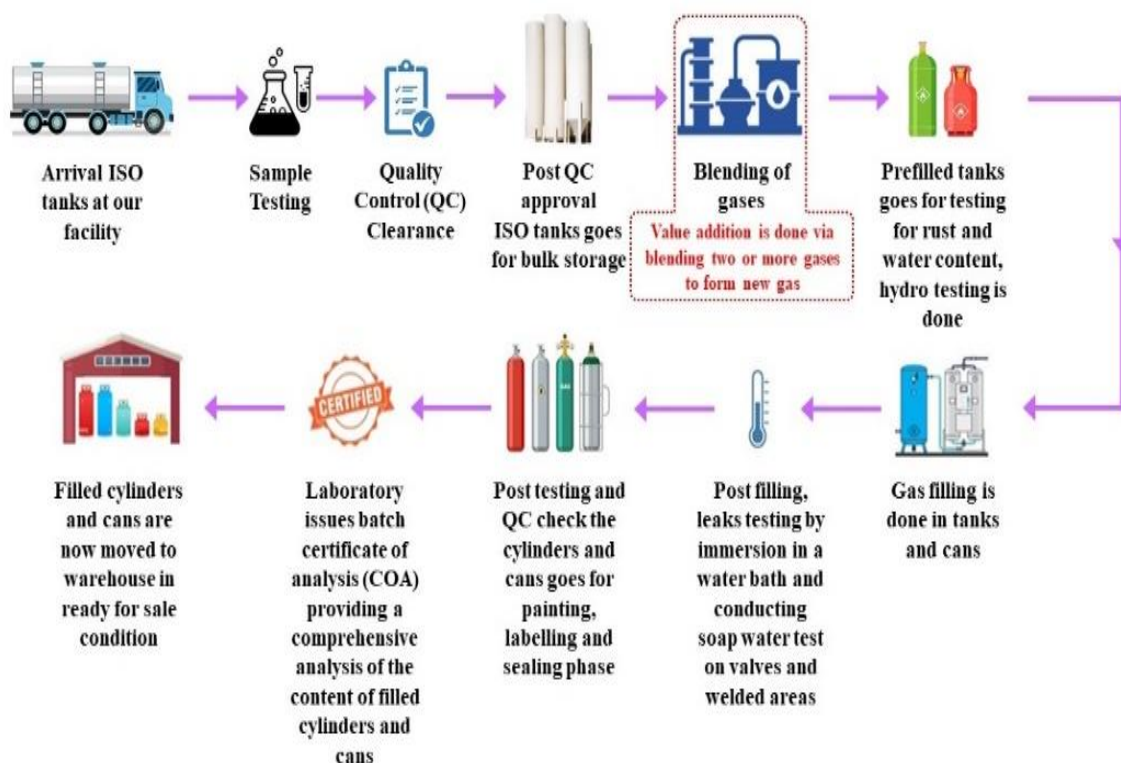
We offer a variety of products that make us distinct in the industry. By using our knowledge of our clients' industries and our skills in gases and engineering, we provide customized solutions to help businesses work better. Our goal is to make operations run smoother and improve productivity. At the same time, we care about the environment and help reduce energy expenses.

We have an experienced Board of Directors and key managerial personnel, led by our Promoter, Shazad Sheriar Rustomji, who serves as the Promoter and Managing Director. His experience over 30 years in the domain of Fluorochemicals & Specialty Gases has significantly contributed to our company's development. For details about our Board and key managerial personnel, please refer to the "Our Management" section on page 166.

Processing/ Blending of Gases and Pre filled cans

We are actively involved in the processing and blending of refrigerant and industrial gases, with the expertise in handling of raw materials and the process involved. The detailed process flow of all the processes are explained as below:

A. Production process for debulking (unloading) Gas from Bulk incoming ISO Tanks and production into Tonners or cylinders for Industrial and service use.



- Upon the arrival of ISO Tanks containing gases at our facilities, a preliminary step involves extracting a sample of the gas before unloading. This sample is rigorously tested in our laboratory to ensure compliance with our quality standards.
- Subsequent to clearance by our Quality Control (QC) department, the ISO Tank proceeds to the unloading phase into our bulk storage tanks.
- Following the unloading process, the QC department conducts another round of testing on the material now present in our bulk storage tanks to ascertain the quality of the unloaded gas.

- Blending process starts at this stage for mixing two or more gases in a specified proportion with required pressure to deliver the desired blended gas.
- Upon receiving QC approval for quality, the material is authorized for refilling into cylinders and ton tanks within our plant. This filling process adheres strictly to orders and predetermined schedules provided to the plant.
- Each individual cylinder undergoes a comprehensive pre-filling QC process, including the opening of its valve, internal cleaning, external scraping, and painting. Internal inspections ensure the absence of rust, water, or oil. Valves are re-fitted using a valve opening/closing hydraulic machine with preset digital torque to ensure correct tightness. Cylinders that are beyond their hydro test date undergo hydro testing for extended operational approval; failing cylinders are rejected and designated for destruction.
- Following the completion of the gas-filling process into cylinders as per batch specifications, samples are extracted from the filled cylinders for further testing in our laboratory.
- The post-filling process involves subjecting each cylinder to leak testing by immersion in a water bath and conducting a soap water test on valves and welded areas.
- Once a production batch is cleared by our QC department, the cylinder's progress to the painting, branding, labeling, and sealing phase.
- A filler's certificate, detailing the batch number and all pertinent cylinder information (empty weight, net weight, gross weight), is issued for the filled cylinders.
- The laboratory issues a Batch Certificate of Analysis (COA) providing a comprehensive analysis of the contents in the filled cylinders.
- The filled cylinders are then moved to the finished goods area, now in a marketable condition. Each cylinder is affixed with a QC pass sticker, proper branding, packaging, labeling, and sealing. Stallion guarantees the weight and quality of each cylinder, as per the COA, ensuring their safety in handling and use, with the gas itself guaranteed for quality.

Example of blending of refrigerant gases:

- a) Each Refrigerant is a chemical with vastly differing properties.
- b) The gas is in liquid form under pressure. Each gas will have a different standing pressure.
- c) Each Gas will have a differing specific gravity.
- d) Each gas will have a differing boiling point.
- e) Each gas will have a differing mixable characteristic and compatibility with other gases.
- f) Some mixtures that are to be done i.e. one gas having Liquid stage and other only in vapor stage but they have to be mixed in a certain ratio to have the final product in only gas form with specific ratio of constituent.

Process of Blending/Manufacturing a new gas Blend (R-410a taken as an example)

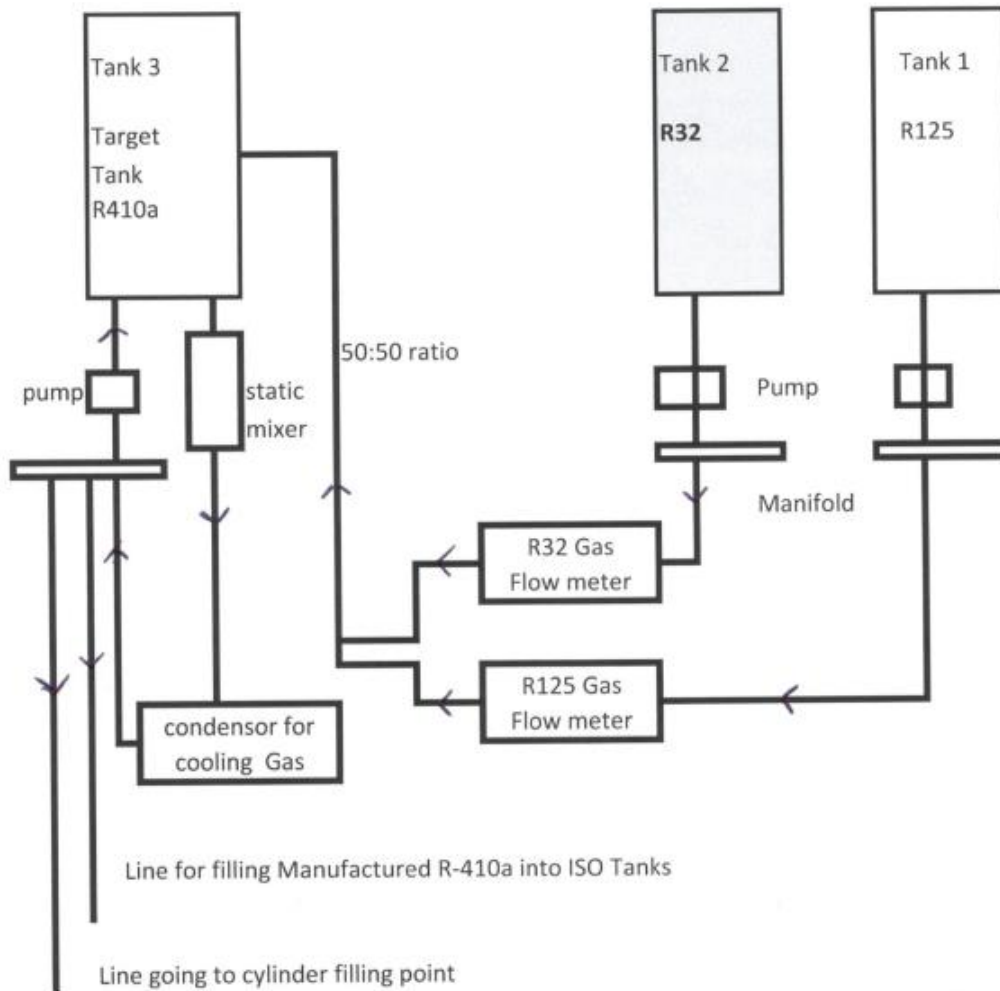
As an example we take the Manufacture of R-410a (finished product) in the plant by using R-32 and R-125 as raw materials in our manufacture of R-410a for the blending process

R-410a is a near azeotropic blend (Azeotropic blend means that the two gases blended will not separate again and become R32 and R125) hence the blending process in this case is manufacturing as we manufacture an entire new gas using R-32 and R-125 as a raw material.

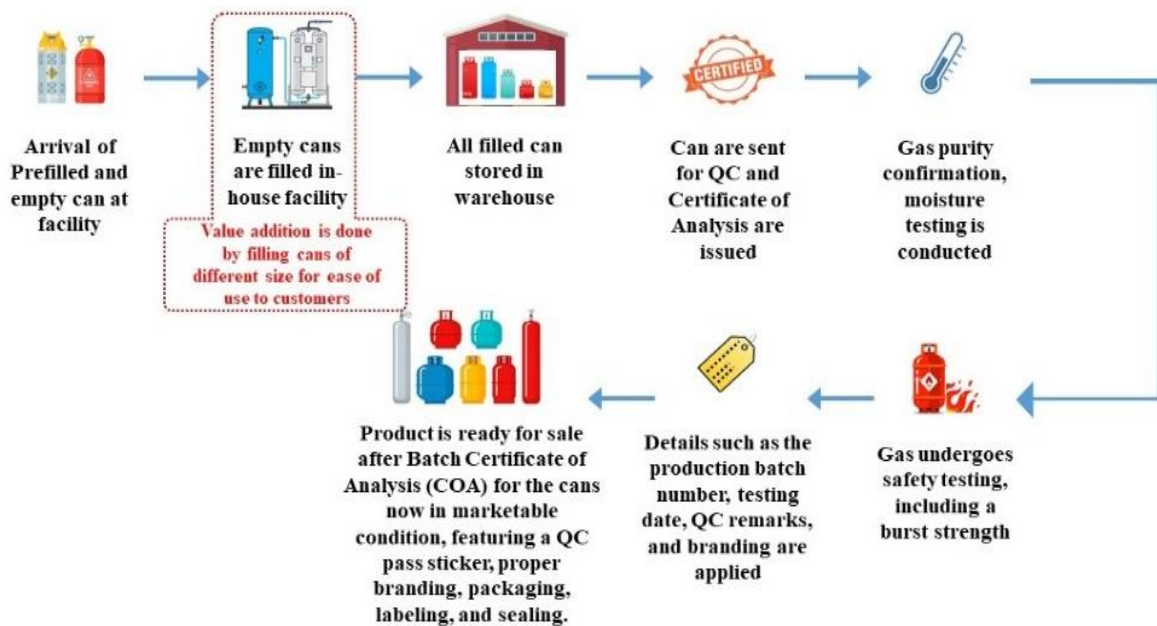
For the manufacture of R-410a the raw materials are R-125 and R-32 which are blended in a 50:50 ratio. Both these gases have differing pressure and density and specific gravity which means they cannot just be mixed. They have to be put in a calculated ratio in a volumetric method and at a fixed temperature for which cooling is required and is needed to be passed through a static mixture which also requires cooling as this process heats up the gas and causes

a failure in the ratios (meaning produced gas will not be R-410a if blend is not in correct ratio). The same process is followed for R-407C which is a blend of R134a:R32:R125. The blending diagram below explains the process in a visual detail which is easy to understand.

STALLION INDIA FLUOROCEMICALS LTD. - BLENDING PLANT PROCESS



B. Production Process for Material in Pre-Filled Cans:



Stallion, as a provider of a comprehensive range of service products, offers a diverse array of items, including High-pressure washers, accessories, portable vacuum pumps, and various pre-filled cans such as R290 (propane), R-600a, Butane, Hydrocarbon, Spray paint, Coil external foam cleaner, Anti Rust Coating for coils, Zinc cold anodizing spray, etc. These products are assembled into kits or sold individually, meeting the diverse needs of our clientele. The production process for pre-filled cans to transform them into marketable condition follows a below mentioned approach:

- Upon the arrival of empty or pre-filled cans at our plant, they are stored in the Raw Material section. Empty cans are separated from filled cans, and if empty, they undergo in-house or third-party filling. Filled cans are brought in and stored alongside empty cans, categorized by lot and shipment.
- All filled and imported cans undergo a preliminary Quality Control (QC) visual check, including quality verification, weighment, and examination for external damages.
- Subsequently, the cans are sent to our in-house laboratory for gas purity testing to ensure compliance with Stallion's standards. A Certificate of Analysis is provided, and testing records are retained for reference.
- Following gas purity confirmation, moisture testing is conducted to ensure that moisture levels fall within acceptable standards. This is critical as high moisture levels can impact the performance of equipment using the gas.
- Upon successful completion of both tests, a Batch Certificate of Analysis is issued, detailing the production batch number and testing lot number.
- The certified gas undergoes safety testing, including a burst strength test on a random sample to ensure the cans are free from defects and will not pose risks during use.
- Following the burst test and safety certification, a leak test is performed to guarantee the absence of any defective or leaking cans, ensuring complete safety and reliability for end customers.

- Once the production batch clears QC approval, it proceeds to labeling, where details such as the production batch number, testing date, QC remarks, and branding are applied. The product is then sold under the Stallion brand, complete with safety instruction labels, and repackaged in Stallion-branded cartons along with Material Safety Data Sheets (MSDS).
- After sealing the cartons, our QC department conducts a final quality check, including labeling, branding, weighment, and sealing, and affixes a Stallion QC pass sticker to the cartons. Individual weighment are conducted to ensure accuracy.
- A fillers certificate is issued, containing batch details and carton information (empty weight, net weight, gross weight). The laboratory issues a Batch Certificate of Analysis (COA) for the cans now in marketable condition, featuring a QC pass sticker, proper branding, packaging, labeling, and sealing. Each can is guaranteed for weight and quality as per the Stallion COA, ensuring safety and quality based on in-house checks and testing. Cans may be packed in cartons or included in complete kit offerings per sales department instructions.

This comprehensive process ensures that the raw material inputs are transformed into safe, tested, packaged, labeled, branded, and quality-certified marketable products, aligning with the actual user condition. Pre-filled cans are integral to our actual user/production purposes, enabling the creation of branded, tested, and certified products for the service requirements of our OEM customers. Stallion stands behind the quality, safety, and reliability of these products throughout their lifecycle.

Our four Debulking /Blending/Processing & Storage Plants

Our operational footprint spans across four processing facilities, positioned in regions to optimize efficiency and accessibility. These facilities are situated in Khalapur (Maharashtra), Ghiloth, (Rajasthan), Manesar (Haryana) and Panvel (Maharashtra).

Location of Plant	Year of Commencement
Khalapur	2013
Panvel	1998
Manesar	2004
Ghiloth	2020

Each of these facilities is designed and equipped to store gases in a controlled environment, ensuring adherence to the safety standards. The storage facilities play a pivotal role in maintaining the integrity and quality of the gases we handle, prioritizing safety at every step of the blending process.

At the core of our operational excellence, we specialize in the process of Debulking Refrigerants from Tankers into our bulk storage tanks, testing incoming and unloaded material in our laboratory, thereafter filling both new and existing cylinders with the highest purity of the refrigerant gases with no quality parameter changes like moisture or contamination during all these processes. Finally testing the finished product in the cylinders and certifying them with Individual Certificate of analysis with all parameters. This integral aspect of our services plays a crucial role in ensuring a seamless and reliable supply of gases for a diverse range of industries.

The filling process is conducted with following all safety protocols. Our facilities are designed to ensure accurate filling, with zero chances of contamination thereby guaranteeing the integrity and performance of the gases at our customers end. This commitment to precision and safety reflects our dedication to safely delivering high-quality products that meet the diverse needs of our clientele.

Further, the capacity utilization of our existing plant is influenced by several factors, including periodic fluctuations in the demand for refrigerant gases. The demand and sale for the refrigerant gases is high during the summer season, particularly from February to May/June i.e. 4 months period, leading to higher/peak capacity utilization. A medium demand/sales period for refrigerant gases is derived from September to November i.e. 3 months period, while the remaining 5 months period (i.e. December to January and June to August) experience lower sales volumes.

Since during high demand/sales period of 4 months, the capacity utilisation at the facilities reaches to optimum levels, whereas during the medium to low demand/sales i.e. roughly 8 months period, the capacity utilisation at the facilities tends to be at lower levels and therefore, the overall capacity utilisation for 12 months period averages out to be at lower side.

Khalapur (Maharashtra)

Our Khalapur facility is located at Gat no.11, Hissa No 9 & 11, Lohop Village, Taluka - Khalapur, District Raigad – 410207, Maharashtra, encompassing a 3 acre land area out of which about 0.75 acre is available for expansion and about the existing plant is spread over 2.25 acre land area having 1500 Sq. meters Factory shed. It is equipped with a robust infrastructure, featuring a complete RCC compound area, stone wall, Razor wire fencing, and an 18’ sliding heavy industrial gate. Originally designed to cater to the evolving demand of HFC’s, Hydrocarbons, and newly introduced HFO gases. The facility is well equipped to handle these gases, aligning with market dynamics. A comprehensive laboratory and facilities are also incorporated to ensure adherence to industry quality standards. In the subsequent phase, the facility underwent expansion to accommodate additional bulk storage tanks. A dedicated HFC blending unit was established, enhancing the facility's capabilities to manufacture HFC blends, thereby meeting the dynamic demands of the market. The Khalapur Plant features bulk storage tanks and a well-established infrastructure to facilitate debulking, filling, and storage processes. The facility is equipped with complete gas testing and analysis facilities to uphold the quality control measures.



Revenue generated from this plant

The total revenue generated from Operations from this plant is as below:

(₹ in lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Refrigerants Gases	6,595.05	10,819.32	13,370.49	12,083.43
Others Gases	4,085.28	418.39	382.65	472.47
Stores, Equipment’s, Accessories and Others	698.32	760.24	434.39	180.29
Total	11,378.65	11,997.95	14,187.53	12,736.19

Production Capacity at Khalapur Facility:

Khalapur Facility	Capacity Utilization (in metric ton)			
	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capacity	5400	10800	10,800	10,800
Production	2806	5337	4,078	3,127
Utilization	51.92%	49.42%	37.76%	28.95%

Some of the major Plant & Machinery and Utilities

Sr. No.	Description of Plant/ Machinery/ Utility
1)	8 Bulk Storage Tanks each with all valves , safety relief valves , gauges, etc.
2)	Complete SS304 schedule 80 piping with valves and safety relief valves , flanges and support structure for 8 Tanks

3)	Walkway and overhead bridge for all piping from Tank area into Plant filling area, covered and protected with heavy structure and roof
4)	Compressors and Pumps (15 nos.)
5)	Vacuum Pumps
6)	Valve opening machine
7)	20 HP air compressors (2 nos)
8)	Water Chilling plant 10 MT
9)	Water Chilling Plant 5 MT
10)	Chilling systems
11)	Digital weighing scale with signal and cutoff -8 nos.
12)	Tank digital weighing systems fitted under each bulk storage tank – 8 nos.
13)	Overhead crane
14)	Firefighting 200KL RCC tank with adjoining well with natural ground water and submersible main pump and jockey pump with electric Fire Panel. Complete fire hydrant , fire monitor and sprinkler system covering entire plant and Tank areas
15)	Main electrical panels – 3 nos. and capacitor panel -1 nos.
16)	Complete operational office with computers, printers ,etc.
17)	Can testing and burst strength machine.
18)	Purification SS304 columns system for gas purification
19)	Gas blending system panel with flowmeters , cutoffs , weighing system and static mixers – 1 nos.
20)	Cylinders and Ton Tanks

Power

Our company currently has a sanction load of 67.00 HP sourced from Maharashtra State Electricity Distribution Company Limited for this facility. This power supply capacity is deemed sufficient for our existing plant operations.

Water

Our company has established bore well arrangements to ensure an ample and sufficient water supply as required for this Plant.

Ghiloth (Rajasthan)

The Ghiloth facility is situated at Plot E-80, General Zone, RIICO Industrial Area, Ghiloth, District Alwar-301706, Rajasthan, in the industrial area of Ghiloth in Rajasthan. The land spans 6,673 sq. meters having 1500 Sq. meters Factory shed and features a complete RCC compound area with Tar Road, a 7’ brick wall, Razor wire fencing, and three main factories 18’ sliding heavy industrial gates.

This facility places us in close proximity to the entire NCR region and the processing belt in Rajasthan, including Neemrana and Ghiloth.

The Ghiloth Plant is well-equipped with bulk storage tanks and a comprehensive infrastructure designed to facilitate debulking, filling, and storage operations from these tanks. Additionally, the facility is furnished with testing facilities to uphold the quality control measures.

Revenue generated from this plant

The total revenue generated from Operations from this plant is as below:



(₹ in lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Refrigerants Gases	1460.30	3,505.17	2,867.65	1,988.90
Others Gases	-	18.23	12.09	4.11
Stores, Equipment's, Accessories and Others	3.51	189.31	57.91	6.13
Total	1463.81	3,712.71	2,937.65	1,999.14

Production Capacity at Ghiloth Facility:

Ghiloth Facility	Capacity Utilization (in metric ton)			
	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capacity	3,600	7,200	7,200	7,200
Production	551	1923	1771	875
Utilization	15.30%	26.71%	24.60%	12.15%

Some of the major Plant & Machinery and Utilities

Sr. No.	Description of Plant/ Machinery/ Utility
1)	4 Bulk Storage Tanks with all valves , safety relief valves , gauges, etc.
2)	Complete SS304 schedule 80 piping with valves and safety relief valves , flanges and support structure for 4 storage Tanks with Filters , hoses , chilling system
3)	Walkway and overhead bridge for all piping from Tank area into Plant filling area, covered and protected with heavy structure and roof
4)	Compressors and pumps (8 nos)
5)	Cylinder and Ton Tanks
6)	Vacuum Pumps
7)	Valve opening machine
8)	20 HP air compressors
9)	Chilling systems
10)	Digital weighing scales with signal & cutoff
11)	Bulk Storage Tank digital weighing systems fitted under each bulk storage tank – 4 nos.
12)	Overhead crane
13)	Firefighting 200KL RCC tank with submersible main pump and jockey pump with electric Fire Panel. Complete fire hydrant , fire monitor and sprinkler system covering entire plant and Tank areas
14)	62KV Diesel Genset
15)	Main electrical panels – 3 nos.
16)	Complete operational office with computers, printers, etc.

Power

Our company currently maintains a power load of 16 KW sourced from Jaipur Vidyut Vitran Nigam Limited for this facility. This power supply capacity is sufficient for our existing plant operations.

Water

Our company has an arrangement with Rajasthan State Industrial Development and Investment Corporation Limited to ensure an adequate water supply for this Plant.

Manesar (Harvana)

The Manesar Plant is situated at Plot 65, Sector 6, IMT-Manesar, HSIIDC, Manesar, Gurugram -122050, Haryana, covering a land area of 1012.50 sq. meters having 400 Sq. meters Factory shed. It features a strategic location with a road and brick wall, complemented by Razor wire fencing and one main factory heavy industrial gate. The establishment of this facility was driven by the growing demand and the need for logistical proximity to the significant market in the National Capital Region (NCR).



Aligned with the operational focus of the Khalapur facility, the Manesar Plant specializes in HFC debulking, filling, storage, and is equipped with comprehensive testing facilities.



The facility is outfitted with bulk storage tanks and essential infrastructure to facilitate seamless debulking, filling, and storage operations.

Revenue generated from this plant

The total revenue generated from Operations from this plant is as below:

(₹ in lakhs)

Particulars	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Refrigerants Gases	1,055.84	2,265.14	5,312.72	3,812.37
Others Gases	40.86	191.92	64.60	38.26
Stores, Equipment's, Accessories and Others	133.99	72.02	47.94	2.31
Total	1230.69	2,529.08	5,425.26	3,852.94

Production Capacity at Manesar Facility:

Manesar Facility	Capacity Utilization (in metric ton)			
	As at September 30, 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
Capacity	1,800	3,600	3,600	3,600
Production	316	904	1,458.23	1,340.20
Utilization	17.58%	25.12%	44.09%	46.69%

Some of the major Plant & Machinery and Utilities

Sr. No.	Description of Plant/ Machinery/ Utility
1)	2 Bulk Storage Tanks with all valves, safety relief valves, gauges, etc.
2)	Complete SS304 schedule 80 piping with valves and safety relief valves, flanges and support structure for 2 storage Tanks
3)	Compressors and Pumps
4)	Cylinder and Ton Tanks
5)	Vacuum Pump
6)	Valve opening machine
7)	air compressors
8)	Chilling systems
9)	Digital weighing scales with signal & cutoff 4 nos.
10)	Bulk Storage Tank digital weighing systems fitted under each bulk storage tank – 1 nos.
11)	Overhead crane
12)	25KV Diesel Genset

Sr. No.	Description of Plant/ Machinery/ Utility
13)	Main electrical panels – 2 nos.
14)	Complete operational office with computers, printers ,etc.

Power

Our company currently has a sanction load of 35.00 KW sourced from Dakshin Haryana Bijli Vitran Nigam for this facility. This power supply capacity is sufficient for our existing plant operations.

Water

Our company has an arrangement with Haryana State Industrial & Infrastructure Development Corporation (HSIIDC), IMT Manesar to ensure an adequate water supply for this Plant.

Panvel (Maharashtra)

The Panvel facility was initially with Stallion Enterprise, (sole proprietorship concern of Shazad Sheriar Rustomji). However, Pursuant to Slump sale agreement dated September 30, 2023 the Plant was acquired on a slump sale basis. The acquisition was facilitated by issuing 6,341,514 Equity shares of face value of ₹10 each at an Issue Price of Rs. 51.20 per share to Shazad Sheriar Rustomji.

This facility is located at Inside Paras Warehousing Corporation, Kolkhe Village, Palaspa Phatta, Panvel, District-Raigad-410221, Maharashtra, which spans a land area of 2,700 sq. meters having 1000 Sq. meters Factory shed. It features a well-structured infrastructure, including a road, a 10' stone wall, and two main factory heavy industrial gates.

The Panvel facility has been dedicated to HFC debulking, filling, and storage operations, supported by specialized testing facilities. Equipped with bulk storage tanks, this facility plays a crucial role in facilitating debulking, filling, and storage operations, all while adhering to rigorous testing procedures.



Production Capacity at Panvel Facility:

Panvel Facility	Capacity Utilization (in million ton)		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capacity	7,200	7,200	7,200
Production	1,539	1,626	2,202
Utilization	21.38%	22.58%	30.59%

**Panvel and Khalapur plants operate as one. The entire billing for Maharashtra is done from the Khalapur plant.*

Some of the major Plant & Machinery and Utilities

Sr. No.	Description of Plant/ Machinery/ Utility
1)	5 Bulk Storage Tanks each with all valves , safety relief valves , gauges, etc.
2)	Complete SS304 schedule 80 piping with valves and safety relief valves , flanges and support structure for 5 storage Tanks
3)	Compressors and Pumps
4)	Cylinder and Ton Tanks
5)	Vacuum Pump 2 nos.
6)	Valve opening machine

Sr. No.	Description of Plant/ Machinery/ Utility
7)	air compressors
8)	Chilling Systems
9)	Digital weighing scales with signal & cutoff 8 nos.
10)	Bulk Storage Tank digital weighing systems fitted under each bulk storage tank – 4 nos.
11)	62KV Diesel Genset
12)	Hot air blower for drying cylinders
13)	Cylinder upturning hydraulic machine
14)	Cylinder steaming and pressure cleaning machine
15)	Cylinder high pressure dirt and water vacuuming machine
16)	Main electrical panels – 2 nos.
17)	Hydro testing equipment
18)	Complete operational office with computers, printers ,etc.

Power

Our company currently has a sanction load of 40.00 HP sourced from Maharashtra State Electricity Distribution Company Limited for this facility. This power supply capacity is sufficient for our existing plant operations.

Water

Our company has established bore well arrangements to ensure an ample and sufficient water supply for this facility.

Strengths

Strong Market recognition

We sell our product under the brand name of “*Stallion*”. Our Company being into the field for more than 2 decades and Promoters having experience of over 3 decades, have strong Market recognition in the refrigerant gases industry. This has enabled the company to be distinguished from its competitors in the same industry. Strong market recognition refers to a company's ability to establish a strong brand reputation and customer loyalty in the market. This recognition is achieved through various factors such as competitive product price, product quality, innovation, reliability, customer service and effective marketing. Strong market recognition is important in the industry as it helps companies to differentiate themselves from their competitors and attract new customers. It also helps to create a positive perception of the company and its products in the minds of existing and potential customers, which can lead to increased sales and revenue.

Business model and ability to mitigate operational risk

We consider our competitive advantages to lie in operational efficiency, facilitating timely deliveries and maintaining quality control measures. These factors have been instrumental in developing relationships within the industry, resulting in significant growth in our operations.

Our Operating cash flow before working capital changes was reported at ₹ 2,630.89 lakhs, ₹ 2,650.52 lakhs, ₹ 1,952.03 lakhs and ₹ 3,212.90 lakhs for the period September 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively.

Customer base across high growth industries and long-standing relationships with customers

The company caters to a diverse clientele spanning various industries such as Air conditioners & Refrigerators, Fire Fighting, Semiconductor manufacturing, Automobile Manufacturing, Pharma and Medicals, Semiconductors, Glass bottle manufacturing, Aerosols and Spray foam, showcasing the relevance and demand for its products across multiple sectors. The strength in having customer base lies in the mitigation of risks associated with overdependence on a single market or industry. This strategic approach enhances the company's adaptability to market fluctuations and economic changes, encouraging a more effective response to dynamic business environments.

The long-term relationships signify a foundation built on trust, reliability, and a consistent track record of delivering significant value. Such associations often translate into repeat business, referrals, and additional opportunities for growth and collaboration.

The combined revenue contribution from the company's top ten customers, considered on a standalone basis for the period ending on September 30, 2024 and for the fiscal years 2024, 2023, and 2022, represented as 77.32%, 75.69%, 74.77%, and 72.88% respectively.

In summary, the company's adeptness in serving a diverse range of customers across high-growth industries, coupled with the maintenance of robust, long-term relationships with renowned clients, positions it favorably for sustained success and growth within its market. This dual strength in market diversification and client relationship management establishes a solid foundation for the company's continued success and expansion.

Plants

We operate from our four Plants in Khalapur, Raigad (Maharashtra), Ghiloth, Alwar (Rajasthan), Manesar, Gurugram (Haryana) and Panvel, Raigad (Maharashtra). These facilities adhere to safety standards, ensuring the regulated storage of gases. The initiation of operations at our facility in Ghiloth, Rajasthan and Manesar, Haryana was prompted by increasing demand in North India.

The location of these facilities have been selected to optimize logistical efficiency and seamless production processes. With a focus on proximity to key markets and suppliers, our facilities are positioned to enhance supply chain dynamics and reduce lead times. The main blending activities are done at the Khalapur facility. This deliberate positioning not only strengthens our production capabilities but also makes us dynamic in terms of quick adaption of market trend to quickly respond to the customer demand on time according to its needs.

Our company provides supply chain efficiencies, particularly in the domain of refrigerant and other gases. Our supply chain strategy is designed to ensure an uninterrupted flow of materials, seamlessly navigating from the sourcing phase to distribution.

In the business of refrigerant and other gases, where precision, quality and reliability are important, our supply chain distinguishes itself by its ability to promptly meet market demands with changing market dynamics. We place a high priority on implementing quality control measures, ensuring that our gases adhere to the highest among the prevailing industry standards. This commitment to supply chain excellence states our dedication to providing high-quality refrigerant and other gases, thereby sustaining a competitive edge in the market.

Track record of consistent financial performance

The Company has been delivering consistent financial performance, despite the impact of the COVID-19 pandemic on our business operations. In period ended September 30, 2024 and Fiscal 2024, 2023 and 2022 our revenue from operations were ₹ 14,073.15 lakhs, ₹. 23,323.58 lakhs, ₹ 22,550.44 lakhs and ₹ 18,588.27 lakhs, respectively. We have witnessed consistent improvement in our balance sheet position in the last Fiscal.

The following table sets forth certain key financial performance indicators as of and for the periods indicated:

Particulars	(₹ in lakhs)			
	Sep-24	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations ¹	14,073.15	23,323.58	22,550.44	18,588.27
Total Revenue ²	14,153.16	23,622.63	22,606.35	18,634.07
EBITDA	2,553.76	2,670.48	1,559.89	3,300.88
EBIT	2,496.23	2,559.42	1,406.03	3,122.10
EBT	2,247.06	2,126.94	1,297.42	3,007.09
PAT	1,656.51	1,478.83	975.30	2,110.97
<i>EBITDA Margin</i> ³	18.04%	11.30%	6.90%	17.71%

Particulars	Sep-24	Fiscal 2024	Fiscal 2023	Fiscal 2022
EBIT Margin ⁴	17.64%	10.83%	6.22%	16.75%
EBT Margin ⁵	15.88%	9.00%	5.74%	16.14%
PAT Margin ⁶	11.70%	6.26%	4.31%	11.33%
Share Capital	6,146.65	6,146.65	5,512.50	1,225.00
Other Equity	7,306.55	5,649.73	1,557.82	4,868.66
Net Worth	13,453.20	11,796.39	7,070.32	6,093.66
Short Term Borrowing	8,104.75	6,534.54	1,827.42	196.97
Long Term Borrowing	-	-	-	-
Total Borrowing	8,104.75	6,534.54	1,827.42	196.97
Debt / Equity ⁷	0.60	0.55	0.26	0.03
Interest Coverage Ratio ⁸	10.02	5.92	12.95	27.15
RoE ⁹	12.31%	12.54%	13.79%	34.64%
RoCE ¹⁰	11.58%	13.96%	15.80%	49.22%
Net Debt / EBITDA ¹¹	2.30	1.84	1.11	0.01
Current Ratio ¹²	2.16	2.19	1.97	2.19
EPS (Basic)	2.69	2.54	1.77	3.83
EPS (Diluted)	2.69	2.54	1.77	3.83
Cash & Equivalents	2,218.54	1,613.63	101.20	162.43
Current Assets	21,778.05	18,553.77	10,887.37	7,965.87
Current Liabilities	10,082.74	8,487.25	5,521.00	3,630.06

Explanation for Key Performance Indicators

1. Revenue from operations refers to revenue from sales of product and services and other operating income.
2. Total Revenue refers to Revenue from operations plus Other Income.
3. EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
4. EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
5. EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
6. PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
7. Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
8. Interest Coverage Ratio is used to measure the ability of company to make interest payments from its available earnings.
9. RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
10. RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generates the returns against the capital it put to use.
11. Net Debt / EBITDA ratio is a financial leverage metric used to measure a company's ability to pay off its debt obligations with available earning. It is also used as proxy for payback period assuming the company operates at current level to become debt-free.
12. Current Ratio indicates the short term liquidity and measures the ability of the company to pay off its short term obligations.

The KPIs set out above are not standardized terms and accordingly a direct comparison of such KPIs between companies may not be possible. Other companies may calculate such KPIs differently from us.

Experienced Promoter and Key Managerial Personnel

Our Board of Directors, complemented by a team of qualified functional heads and key managerial personnel who actively contribute to shaping our strategic trajectory, overseeing day-to-day operations of our business development initiatives has over 3 decades of experience. Our Promoter and Managing Director i.e. Shazad Sheriar Rustomji brings expertise in understanding the dynamics of the Fluorochemicals & Gases Industries, where his role has been instrumental in the growth and development of our business.

The diverse expertise of our promoters and senior management team adds a layer of depth, enabling us not only to comprehend and anticipate market trends but also to successfully broaden our product portfolio, manage our business operations and expansion, nurture customer relationships, and adeptly respond to shifts in the business landscape and evolving customer preferences.

In addition to our Promoters, our Board of Directors comprises Independent Directors, each bringing a qualification from various fields such as accounting, taxation and legal. This collective expertise ensures a well-rounded approach to decision-making and governance. Simultaneously, our key managerial personnel have experience in finance, legal, secretarial and business development.

For a comprehensive overview of our Board and Key Managerial Personnel, refer to the "Our Management" section, on page 166.

Our Strategies

Geographical expansion and product optimization

We have a strategic vision to diversify our existing product portfolio by incorporating new products that align with our current offerings and current operations. The HFO debulking and HFO/HFC blending facility proposed at Mambattu shows our vision in diversifying our existing portfolio. For further details please refer chapter "Object of the offer" on page 77.

Furthermore, we are concentrated on expansion of our facility to other domestic locations that are important to capture the market and demand from various industry concentration in these areas.

In addition, we are committed to expanding the reach of our products to broaden our customer base and enhance our revenue. This approach allows for the efficient utilization of our processing facilities and an increase in cash flows.

Trusted Choice for Quality, Innovation, and Growth

Our products are being used across industries be it Air Conditioner, Cold Chain, Firefighting, Pharma, Electricity transmission and distribution, Automobile Manufacturing, Consumer Cans and more. Our commitment to innovation ensures that we stay at the forefront of industry advancements, consistently delivering cutting-edge solutions that meet and exceed the evolving needs of our customers. Over the years we have built long term relationship and trust with our customers across industry and we are well recognized for our product and quality.

Our commitment is rooted in a relentless pursuit of growth, driven by a dedicated focus on expanding our reach to cater to a diverse customer base. We believe in offering products that not only meet the highest standards but also provide tangible value, ensuring that our customers receive more than just a product—they receive a reliable and cost-effective solution.

Continuing focus on innovation and leveraging chemistries and technology absorption

Based on our experience, we're going to keep using our knowledge of complex chemicals and our engineering expertise to add new products to our lineup. We'll be focusing on adding more products that come after our main ones and have extra value. Also, we'll be adding new types of gases to what we offer. Our new products in the refrigerant and gas area should work well with what we already have in terms of materials and processes.

With the increase in demand because of initiatives like Make in India, especially from industries like Semiconductors, Electronics, Defence Manufacturing, Pharma Equipment, and others, we're concentrating on adding more environmentally friendly gases like HFOs and specialty gases to our lineup. These are gases that are better for the environment and are widely accepted in industries worldwide.

Customer Relationship Management

In the highly competitive gas industry, building strong relationships with customers is extremely important and strategic. Having a focused Customer Relationship Management (CRM) strategy is key to understanding, satisfying, and keeping customers in this field.

By following this comprehensive CRM approach, our company can not only build and maintain strong relationships with customers but also become a trusted partner in the industry. This leads to increased customer loyalty, higher customer lifetime value, and a competitive advantage in the constantly changing refrigerant and specialty gas market.

The above strategies were approved by the Board of Directors vide resolution dated March 04, 2024

Products

A. Refrigerant Gases

Refrigerant gases play a crucial role in the functionality of cooling and air conditioning systems, which have become essential components of our daily lives. These gases serve as integral elements in the heat transfer process, enabling the fundamental refrigeration cycle that underlies air conditioning, refrigeration, and various industrial processes.

a) Composition and Types

Refrigerant gases exhibit a diverse composition and the Common types include the below,

1.	Chlorofluorocarbons (CFC)	High Ozone depletion potential (ODP) hence phased out.
2.	Hydrochlorofluorocarbons (HCFC)	High Ozone depletion potential hence phased out.
3.	Hydrofluorocarbons (HFC)	Zero ODP hence have replaced CFC's & HCFC's but later found to have high Global Warming Potential (GWP) hence now on the global phase out list.
4.	Hydrocarbons (HC)	No ODP, No GWP, but major flammability issues, will replace HFC's in some applications.
5.	Hydrofluoroolefins (HFO)-	No ODP, extremely low GWP, Will replace the HFC's.

In favor of environmental sustainability, CFCs and HCFCs, unfavorable for ozone layer, have been predominantly replaced by environmentally friendly alternatives like HFCs. Now due to High Global warming potential (GWP) concerns, the HFC's are also due to be phased out and replaced by Hydrocarbons (HC) and Hydrofluoroolefins (HFO).

Our Company currently deals in and is involved in blending of Hydrocarbons (HC), Hydrofluorocarbons (HFC) and Hydrofluoroolefins (HFO).

b) Applicability of Refrigerants

The primary function of refrigerant gases within refrigeration or air conditioning systems is to absorb heat and provide cooling. Refrigerants are used in a direct expansion system to provide cooling by absorbing heat and then releasing it in a phase change process (from a low pressure gas to a high pressure liquid) in the evaporator and condenser of the cooling system.

Refrigerant gases find application across residential, commercial and industrial sectors. Common uses encompass air conditioning systems, refrigerators, freezers, heat pumps and automotive air conditioning. In industrial processes, they play a vital role, such as in liquefied natural gas (LNG) production and food storage.

c) Environmental Impact and Considerations

Due to the adverse environmental impact of certain refrigerants, there is a concerted effort to make transition to eco-friendly options.

In the early Nineties the depletion of the Ozone layer caused global concern and a global accord was signed known as "The Montreal Protocol on substances that deplete the Ozone Layer" in which the Chlorine atom in the CFC's and HCFC's refrigerants was identified as one of the cause, in phasing out of all ozone-depleting substances, these CFC's and HCFC's were phased out.

Currently with the “The Kigali Amendment to the Montreal Protocol: HFC Phase-down”, now ratified by most of the countries, HFC’s have to be phased out and have to be replaced with extremely low GWP alternatives such like Hydrocarbons (HC) and Hydrofluoroolefins (HFO).

Phasing Mechanism Under the Kigali Amendment to the Montreal Protocol

The Kigali Amendment to the Montreal Protocol outlines a structured phase-out schedule for high Global Warming Potential (GWP) gases, such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs). This phase-out is categorized into groups based on specific timelines and targets.

Group 2 under the Kigali Amendment includes the countries such as Bahrain, India, Iran, Iraq, Kuwait, Oman, Pakistan, Qatar, Saudi Arabia and the United Arab Emirates

As India falls under Group 2, it has committed to a scheduled reduction in the use of high Global Warming Potential (GWP) gases, in accordance with the guidelines and timelines established by the Kigali Amendment as below;

Baseline years	2024, 2025, 2026
Baseline Calculation	Average production/ consumption of HFCs in baseline years, plus 65% of HCFC baseline production/consumption
Reduction Step 1	Freeze: 2028
Reduction Step 2	2032: 10%
Reduction Step 3	2037: 20%
Reduction Step 4	2042: 30%
Reduction Step 5	2047: 85%

Following is the list of some Refrigerant Gases:

Gas	Description
R-125	Pentafluoroethane, used as a fire suppression agent in fire suppression systems.
R-134a	Tetrafluoroethane, commonly used in automotive air conditioning systems and as a replacement for CFC-12.
R-152a	1,1-difluoroethane, used in air conditioning systems and aerosol sprays. It helps to keep things cool or to push out the contents of a spray can.
R-32	Difluoromethane, often used as a component in various refrigerant blends, including some used in residential air conditioning systems.
R-1234yf	2,3,3,3-Tetrafluoropropene, used as a refrigerant in automotive air conditioning systems to comply with environmental regulations, as it has a lower global warming potential (GWP) compared to older refrigerants. Replacement to HFC-134a
R-1234ze	Trans-1,3,3,3-tetrafluoropropene, used in low-pressure centrifugal chillers
R-1233zd	1,3,3,3-Tetrafluoroprop-1-ene, used in low-pressure centrifugal chillers and as a blowing agent in foam applications.
R-448a	A blend of HFC refrigerants, used as a replacement for R-404A in commercial refrigeration systems.
R-450a	A blend of HFC refrigerants, designed as a lower GWP alternative to R-404A in commercial refrigeration.
R-455A	A low-GWP hydrofluoroolefin (HFO) blend, used as a replacement for high-GWP refrigerants in commercial and industrial refrigeration.
R-454B	A low-GWP blend, used as a replacement for R-410A in air conditioning and heat pump applications.
R-407F	A blend used as a replacement for R-22 and R404a in low and medium-temperature refrigeration applications.
R-404A	Commonly used in refrigeration systems, especially in commercial and industrial settings.
R-407A	A blend used as a retrofit refrigerant for certain R-404A and R-507A applications in commercial refrigeration.
R-410a	It's a blend of hydrofluorocarbons, commonly used in air conditioning systems, heat pumps, and refrigeration units.

R-23	Trifluoromethane, used as a refrigerant in ultra low-temperature applications.
R-600a	Isobutane, used in household refrigerators and freezers.

B. Non-Refrigerant Gases

Non-refrigerant gases play a vital role in various industries, contributing to scientific research, manufacturing processes, healthcare, and environmental monitoring. These gases are used in:

- Laboratory and Analytical Applications
- Medical and Healthcare Industry
- Industrial Processes
- Fire fighting
- Aerosols
- Treatment gases
- Semiconductor and Electronics
- Solvents
- Electrical insulation

Non-refrigerant gases are diverse and essential. They have many different uses in various applications from supporting breakthroughs in scientific research to enhancing industrial processes and contributing to healthcare, these gases continue to drive innovation and play a crucial role in shaping various aspects of our technologically advanced world.

Non-refrigerant gases come in a wide array of compositions, each tailored for specific applications. Examples include noble gases like helium and argon, high-purity gases such as nitrogen and oxygen, and specialty blends with precise mixtures to meet requirements in research and industry.

Following is the list of some Non-Refrigerant Gases:

Gas	Description
SF6	Sulfur hexafluoride (SF6) is a gas used for various applications, primarily as an electrical insulator in high-voltage electrical equipment like circuit breakers, switchgear, and electrical transformers. It is a colorless, odorless, non-toxic, and non-flammable gas.
DME	Dimethyl ether (DME) is used as a propellant in aerosol products. Such products include hair spray, bug spray and some aerosol glue products.
CF4	Tetrafluoromethane (CF4) has been used in the electronics industry as a plasma etching gas during the fabrication of semiconductors.

Our Geographical Presence

The geographical wise revenue distribution from operations based on financials statement of the Company for last three financial years and stub period are as follows:

(₹ in Lakhs)

Particulars	30.09.2024	%	31.03.2024	%	31.03.2023	%	31.03.2022	%
Maharashtra	8,020.12	56.99%	12,761.27	54.71%	11,210.85	49.71%	9,046.68	48.67%
Delhi	2,450.97	17.42%	3,522.62	15.10%	3,203.65	14.21%	2,182.86	11.74%
Uttar Pradesh	318.20	2.26%	1,441.61	6.28%	2,242.34	9.94%	1,892.06	10.18%
Haryana	374.52	2.66%	850.17	3.65%	1,542.88	6.84%	813.87	4.38%
Telangana	1,042.57	7.41%	1,332.74	5.71%	963.20	4.27%	784.00	4.22%
Gujarat	894.46	6.36%	613.63	2.63%	954.93	4.23%	1,454.09	7.82%
Rajasthan	76.81	0.55%	1,012.10	4.34%	470.32	2.09%	691.17	3.72%
Himachal Pradesh	-	0.00%	482.66	2.17%	832.34	3.69%	306.67	1.65%
Tamil Nadu	400.14	2.84%	840.65	3.60%	167.85	0.74%	84.36	0.45%
Uttarakhand	118.35	0.84%	15.77	0.07%	146.03	0.65%	415.66	2.24%

Particulars	30.09.2024	%	31.03.2024	%	31.03.2023	%	31.03.2022	%
Goa	60.72	0.43%	92.76	0.40%	260.75	1.16%	186.07	1.00%
Dadra & Nagar Haveli and Daman & Diu	58.20	0.41%	84.87	0.36%	10.72	0.05%	411.18	2.21%
Karnataka	181.54	1.29%	180.43	0.77%	231.98	1.03%	51.12	0.28%
West Bengal	30.05	0.21%	56.88	0.24%	133.61	0.59%	128.78	0.69%
Export - Sale	-	-	-	-	60.63	0.27%	91.17	0.49%
Punjab	-	0.00%	18.70	0.08%	59.29	0.26%	6.08	0.03%
Chhattisgarh	0.76	0.01%	-	0.0%	50.59	0.22%	19.05	0.10%
Andhra Pradesh	20.37	0.14%	7.12	0.0%	6.36	0.0%	2.19	0.01%
Madhya Pradesh	21.60	0.15%	-	-	0.73	0.03%	19.73	0.11%
Odisha	2.70	0.02%	6.48	0.03%	-	-	-	-
Assam	1.05	0.01%	0.96	0.004%	-	-	0.72	0.004%
Jharkhand	-	0.00%	2.16	0.01%	-	-	-	-
Kerala	-	-	-	-	1.40	0.01%	0.73	0.004%
Total	14,073.15	100.00%	23,323.58	100.0%	22,550.44	100.0%	18,588.27	100.0%

SWOT ANALYSIS



Sales & Marketing

Our sales and marketing strategy, along with how we distribute our products, is a crucial part of our business. One key aspect of our approach is making sure we have direct communication with most of our customers. This helps us build strong connections with them. By directly engaging with our customers, we gain valuable insights into their technical needs, specifications, and what they might need from us in the future.

In addition, our carefully structured distribution network is crucial for making sure our products reach customers smoothly. This network is planned in order to cover a large geographical area, ensuring that our products are delivered to customers on time and reliably. By improving how we distribute our products, our goal is to increase customer satisfaction and strengthen our position in the market.

In summary, our comprehensive strategy that includes sales, marketing, and distribution is designed to build and maintain strong relationships with customers, respond effectively to changes in the market, and make sure our products are always available to meet the varied needs of our clients smoothly.

Employees

As on September 30, 2024 we have 20 permanent employees. We undertake selective and need-based recruitment to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. The following table provides information about our full-time employees, as on the date of this Red Herring Prospectus.

Sr. No.	Department	No. of Employees
1)	Production and Maintenance	7
2)	Quality Control	2
3)	Procurement	2
4)	Imports & Procurement	2
5)	Legal & Compliance	1
6)	Sales & Marketing	3
7)	Finance & Accounts	3
	Total	20

Further, the number of workers as of September 30, 2024 in each of the plant is as mentioned below;

Location	Skilled	Semi-Skilled	Unskilled	Total
Khalapur	10	7	4	21
Panvel	6	5	-	11
Ghiloth	4	-	-	4
Manesar	4	-	-	4

In addition to the above we have a contract with third- party manpower firms and independent contractors for the supply of contract labour. The number of contract labourer varies from time to time based on the nature and extent of work contracted to third- party manpower firms and independent contractors.

Kindly note that given the business in which we operate, the requirement of employees in such business is relatively low as much of the operations are done through automation through machines. Therefore, skilled labor having the capability to handle such automated process can manage the operations effectively. In case the company increases the blending capacity at a large scale there may be a requirement for increase in employee. Further, the company as per requirement basis deploys contract labor to effectively manage the business process.

Customers

Our customer base currently comprises a number of multinational companies.

The following table sets forth the number of customers during the periods indicated:

Particulars	September 30,	Fiscals		
	2024	2024	2023	2022
Number of Customers	120	171	100	116

We have developed long-term relationships with various corporations who have diverse operations spread across various geographies, thereby mitigating any risks associated with a particular geography or industry.

However, we are dependent on a limited number of customers for a significant portion of our revenues. Revenue generated from sales to our top 10 customers represented 77.29%, 75.69%, 74.77% and 72.88% of our revenue from operations in period ended September 30, 2023 and Fiscal 2024, 2023, 2022, respectively. See, "Risk Factors – Any

adverse developments in our relationship with our customers could have an adverse effect on our business, results of operations, cash flows and financial condition.” on page 31.

Procurement and Raw Materials

At our processing facilities, various gases delivered to the premises in ISO Tanks undergo a series of procedures outlined in the "Processing/Blending of Gases" section. Prior to processing, raw materials are subjected to quality testing, and subsequent to the specified procedures, they are filled into cylinders. The blending of gases is conducted to meet the specific requirements of our consumers, resulting in the creation of a new product. Occasionally, the gases received as raw materials are packaged in smaller quantities in Cans and are marketed as the final product. Consequently, there are instances where our raw materials and final products are same.

Following is the list of some of our Raw Materials

Raw Material	Description
R32	Difluoromethane, often used as a component in various refrigerant blends, including used in residential air conditioning systems.
R410a	It is a blend manufactured by us and used in room air conditioners and chillers.
R134a	1,1,1-trifluoroethane is often used as a component in various refrigerant blends, Its major use is in auto air conditioning systems.
R407C	It is a-manufactured by us of difluoromethane, pentafluoroethane, and 1,1,1-trifluoroethane which is used as a replacement for R22 in various air conditioning applications.
R152a	A hydrofluoroalkane (HFA) sometimes used as a propellant in aerosol sprays and as a treatment gas for glass bottles and as a blowing agent for polystyrene. It is also used as a refrigerant in certain applications. It is also widely used blended for aerosol applications which we manufacture.
R600a	Isobutane - A hydrocarbon refrigerant commonly used in household refrigerators and freezers.
DME	Dimethyl ether (DME) is used as a propellant in aerosol products. Such products include hair spray, body spray and in adhesive and paint aerosol cans. We manufacture any blends required for this.
R245fa	Used as a blowing agent in the production of foam insulation and also has organic Rankine cycle (ORC) applications for waste heat recovery. It also has aerosol application in blends manufactured by us.
R227ea	Used in fire suppression systems and as a refrigerant in some applications.
R23	Trifluoromethane, used as a refrigerant in Ultra low-temperature applications for blood banks, lyophilisers and Lab chambers.
SF6	Sulfur hexafluoride (SF6) is a gas used for various applications, primarily as an electrical insulator in high-voltage electrical equipment like circuit breakers, switchgear, and electrical transformers. It is a colorless, odorless, non-toxic, and non-flammable gas.
R-404A	Commonly used in refrigeration systems, especially in commercial and industrial settings.
R125	Pentafluoroethane - Often used as a component in refrigerant blends, including R410a, R407C and R404a. It also has fire-fighting applications.

The above mentioned are few raw materials that we use in our blending operations. In Fiscals 2024, 2023, 2022 and in the period ended September 30, 2024, the cost of materials consumed represented 83.47%, 86.73%, 81.46% and 87.90%, respectively, of our revenue from operations in the same periods.

We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated production requirements taking into consideration demand for product, any expected price fluctuation of raw material and delivery lead time. Most of our raw materials are imported from China. The total imports from China represents 92.97 %, 96.43%, 97.24% and 91.68% for the period ended September 30, 2024 and Fiscals 2024, 2023 and 2022 respectively, of our total raw material purchase.

We do not enter into long-term supply contracts with any of our raw material suppliers. However, our relationship with our customers and repeat business from them has allowed us to develop a long-standing relationship with various raw materials suppliers.

Competitors

The competitive dynamics within our market segments and product categories exhibit variability. Key players in our competitive landscape include SRF Limited, Gujarat Fluorochemicals Limited, and Navin Fluorine International Limited. Notably, some of these competitors outpace us in terms of scale, considerable financial, manufacturing, research and development and other resources. This translates into our competitors having more extensive product portfolios, larger sales teams, intellectual property assets and broader market appeal spanning multiple divisions.

Insurance

We uphold insurance coverage through diverse policies, including Fire Insurance Policy, Burglary Insurance Policy, Plant & Machinery Insurance Policy, and Directors' and Officers' Policy. While we are confident that the extent of our insurance coverage is reasonably sufficient to address typical risks inherent in our business operations, it's acknowledged that we may not have policies encompassing all conceivable events. For further details refer "Risk Factors" section on page 27.

Safety

We consider our employees to be our most valuable asset, so their safety and health are our top priorities. We are dedicated to providing and upholding a safe and healthy workplace environment. This includes supplying personal protective equipment and making sure that our employees use it properly.

Quality Assurance

We are ISO Certified 9001: 2015 compliant for filling and sale of compressed refrigerant (R 410a, R 32, R 600a and R 152a) gases in high and low pressure cylinders for industrial use. We have checks and testing systems in place, from the procurement of raw materials to the final product, to ensure the quality of our products and to ensure that the products that we process do not deviate from our customers' specifications. Additionally, we conduct multiple quality control tests, so that we can take correctional measures if necessary to ensure the quality of our products.

Repair and Maintenance

We conduct regular repair and maintenance programs for our manufacturing facilities. Our maintenance team carry out day-to-day maintenance and repair of the plants and machinery on an as-needed basis. There is a proper maintenance manager whose job is to ensure routine maintenance of the plants and also to ensure that timely preventive maintenance is carried out at all plants.

Inventory Management

Inventories include raw materials and finished goods. The historical holding days of inventories (calculated as closing inventory on balance sheet date divided by cost of goods sold over 365 days) has been in range 80 to 128 days during the last three financial years. We have in-house inventory management system to mitigate the risk of raw material price movements and demand for product. These inventory levels are planned based on expected orders, which are confirmed due to our long-standing relationships with customers.

Logistics

We transport our raw materials and our finished products by road and sea. We rely on freight forwarders to deliver our products. We do not have formal contractual relationships with our freight forwarders. The pricing for freight is negotiated and agreed to on a monthly basis. We sell our products on a cost, insurance and freight basis, on a

consignee basis and on a door delivery basis. We currently use our Plant premises to store our products and process them before they are shipped to our direct customers.

Corporate Social Responsibility

The CSR Committee was established through a resolution passed by our Board on October 06, 2023, aligning with the provisions outlined in Section 135 of the Companies Act, 2013.

Consequently, we have embraced a Corporate Social Responsibility ("CSR") policy that conforms to the stipulations of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government and amended periodically. This policy delineates the company's dedication and methodology toward Corporate Social Responsibility, emphasizing the ethos of 'Giving Back to Society'

During the period concluding on September 30, 2024, and the fiscal years 2024, 2023, and 2022, we have allocated expenditures amounting to ₹15.68 lakhs, ₹62.02 lakhs, ₹30.59 lakhs, and ₹19.17 lakhs, respectively. This financial commitment encompasses contributions directed toward Rural Development Projects, Environmental initiatives, and related endeavors.

Properties


Our registered office situated at 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - West, Mumbai- 400064, Maharashtra is taken on lease from the Promoter i.e. Shazad Sheriar Rustomji for the period of 24 months commencing from April 01, 2023.

Further, Our Plants are located at:

Sr. No	Location of the Property	Status	Lease Amount	Years of lease	Nature
1.	Gat no.11, Hissa no 9 & 11, Lohop Village, Taluka-Khalapur, District Raigad – 410207, Maharashtra	Land Owned by the company	N.A	-	Plant
2.	Gat no.11, Hissa no 19 & 20 and Gat No. 12 Hissa No. 1, Lohop Village, Taluka-Khalapur, District Raigad – 410207, Maharashtra	Taken on lease from Shazad Sheriar Rustomji	₹2,50,000 p.m.	Lease for a period of 24 months commencing from October 01, 2023	
3.	Inside Paras Warehousing Corporation, Kolkhe Village, Palaspa Phatta, Panvel, Dist-Raigad-410221, Maharashtra	Taken on lease from Shazad Sheriar Rustomji	₹2,50,000 p.m.	Lease for a period of 24 months commencing from January 01, 2024.	
4.	Plot E-80, General Zone, RIICO Industrial Area, Ghiloth, District Alwar -301706, Rajasthan	Taken on lease from Rajasthan State Industrial Development & Investment Corporation Limited	₹2,28,93,390/- (one time economic rent)	Lease for a period of 99 years commencing from August 03, 2018	
5.	Plot 65, Sector 6, IMT-Manesar, HSIIDC, Manesar, Gurugram - 122050, Haryana	Taken on lease from Shazad Sheriar Rustomji.	₹2,50,000 p.m.	Lease for a period of 24 months commencing on October 07, 2023.	
6.	Plot no.2, Industrial Park Mambattu Phase-II in Sy. no. 165-173 & 174P, 175P, 176- 178,190P & 204 of Mambattu (V), Tada Mandal, Tirupathi district -524401, Andhra Pradesh	Land Owned by the company	N.A	-	Plant*

*For further details please refer "Objects of the Offer" on page 85.

Intellectual Property Right

The trademark **STALLION**  is registered in the name of the Promoter of our Company i.e. Shazad Sheriar Rustomji.

Our promoter, Shazad Sheriar Rustomji has obtained trademark registrations under the Trade Marks Act, 1999 with respect to “**STALLION**” (under No. 2125853 of Class 1)

However, our Company has entered into an Agreement with the Promoter i.e. Shazad Sheriar Rustomji dated February 07, 2024, for a period starting from February 01, 2024 till January 31, 2026 for the usage of the trademark for commercial purposes and no consideration towards royalty will be charged by the Promoter during the said period. For further details kindly refer “Risk factor” no. 25 on page 27.

KEY REGULATIONS AND POLICIES

Given below is a summary of certain relevant laws and regulations applicable to the business and operations of our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 307.

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

A. INDUSTRY SPECIFIC LAWS

The Factories Act, 1948 (“Factories Act”)

The term ‘factory’, as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the “occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The Static and Mobile Pressure Vessels (Unfired) Rules 2016 (“SMPV Rules”)

The SMPV Rules regulate the manufacture, filling, delivery, import, modification and repair of pressure vessels. Under the SMPV Rules, licenses are required to be obtained for storage and transportation of compressed gas. The SMPV Rules also prescribe conditions under which the licenses can be amended, renewed, suspended or cancelled.

Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)

The MSMED Act is an act to provide for facilitating the promotion, development and enhancing the competitiveness of micro, small and medium enterprises. This statute constitutes a board called the ‘National Board for Micro, Small and Medium Enterprises’ (MSME Board) and lays down the constitution, powers and function of the MSME Board. The MSMED Act under section 7 specifies the classification of various enterprises and sets up an advisory committee to examine the matters referred to it by the MSME Board.

In order to achieve the promotion, development and enhancing the competitiveness of micro, small and medium enterprises, MSMED Act provides various benefits to the registered entities in the following manner: introducing various subsidies, schemes and incentives; grant of credit facilities; introduce various skill development programs for the workers, employees, management, technology up-gradation, cluster development schemes; provide funds by way of government grants, etc.

Chemical Accidents (Emergency, Planning, Preparedness and Response) Rules, 1996

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996, in India constitute a regulatory framework designed to manage and respond to potential hazards associated with the handling and storage of hazardous chemicals. Formulated under the Environment (Protection) Act, 1986, these rules outline measures for the identification of hazardous installations, development of on-site and off-site emergency plans, and the constitution of a Crisis Group to coordinate emergency response efforts. They emphasize public information and awareness, require prompt notification of accidents, and mandate training and drills for personnel involved in handling hazardous chemicals. The rules aim to minimize the impact of chemical accidents by ensuring comprehensive emergency planning, preparedness, and response strategies.

Transportation of Dangerous Goods Rules, 2008

The Transportation of Dangerous Goods Rules, 2008, in India establish a regulatory framework to ensure the safe and secure transportation of hazardous materials. Formulated under the Motor Vehicles Act, 1988, these rules prescribe standards and procedures for the packaging, labelling, and transport of dangerous goods by road. The rules detail requirements for vehicle markings, documentation, and emergency response plans to mitigate potential risks during transportation. Emphasizing the protection of public safety and the environment, these rules aim to prevent accidents, spillages, and other incidents related to the transportation of hazardous materials.

Chemicals (Management and Safety) Rules, 1980

The Chemicals (Management and Safety) Rules, 1980, in India constitute a regulatory framework aimed at ensuring the safe management and handling of hazardous chemicals. These rules, formulated under the Environment (Protection) Act, 1986, outline measures to control the import, transport, storage, and use of such chemicals to prevent adverse effects on human health and the environment. The rules encompass provisions for the classification of hazardous chemicals, labelling, safety data sheets, and the implementation of safety measures in industrial facilities. With a focus on risk assessment and prevention of chemical-related incidents, these rules play a crucial role in promoting the responsible management of chemicals across various industries.

B. ENVIRONMENTAL LAWS

The Environment (Protection) Act, 1986 (“EPA”)

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the (Environmental Impact Assessment) EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. This is the first law passed in India whose objective was to ensure that the domestic and industrial pollutants are not discharged into rivers, and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support marine life. The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to

discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (“HCR Rules”)

The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

The Hazardous Wastes (Management and Handling) Rules, 1989

The Hazardous Wastes (Management and Handling) Rules, 1989 are formulated under the EPA. The rules are applicable to handling of hazardous wastes as specified in the schedule thereto. The occupier and the operator of a facility shall be responsible for proper collection, reception, treatment, storage and disposal of hazardous wastes listed in the Schedule. It shall be the duty of the occupier and operator of a facility to take adequate steps while handling hazardous waste. The occupier shall contain contaminants and prevent accidents and limit the consequences on human and the environment; and shall also provide persons working on the site with information, training and equipment necessary to ensure their safety. Furthermore, an occupier shall provide such information as may be specified by the State Pollution Control Board or Committee.

The Ozone Depleting Substances (Regulation and Control) Rules, 2000

The Ozone Depleting Substances (Regulation and Control) Rules, 2000 are formulated under the EPA. The rules provide that no person shall produce or cause to produce any ozone depleting substance after the date specified in the schedule and unless he is registered with the authority specified in the schedule thereto. The rules provide for corresponding percentage calculated on base level for production of ozone depleting substances. Furthermore, the rules also prescribe regulation for purchase, sale and use of Ozone Depleting Substances. Every person stocking or purchasing any ozone depleting services for use in activities specified in Schedule shall maintain records and file reports in the manner as may be specified in the Schedule thereto.

The Montreal Protocol on Substances that Deplete the Ozone Layer

The Montreal Protocol, finalized in 1987, is a global agreement to protect the stratospheric ozone layer by phasing out the production and consumption of ozone-depleting substances (ODS). ODS are substances that were commonly used in products such as refrigerators, air conditioners, fire extinguishers, and aerosols. The landmark agreement was signed in 1987 and entered into force in 1989. India became party to the Montreal Protocol on June 19, 1992. The parties to the Protocol meet once a year to make decisions aimed at ensuring the successful implementation of the agreement. These include adjusting or amending the Protocol, which has been done six times since its creation. The most recent amendment, the Kigali Amendment, called for the phase-down of hydrofluorocarbons (HFCs) in 2016. The Montreal Protocol provided a set of practical, actionable tasks that were universally agreed on. The Protocol has successfully met its objectives thus far and continues to safeguard the ozone layer today.

Environmental Impact Assessment (EIA) Notification, 1994.

The Environmental Impact Assessment (EIA) Notification, 1994, in India is a crucial regulatory framework under the Environment (Protection) Act, 1986. This notification outlines the process for evaluating the potential environmental impacts of proposed development projects before they are undertaken. It mandates that certain projects undergo a comprehensive environmental impact assessment, considering factors such as air and water quality, biodiversity, and socio-economic impacts. The EIA Notification establishes procedures for public consultation, disclosure of project-related information, and submission of environmental clearance applications. The goal is to integrate environmental considerations into decision-making processes, ensuring sustainable development while minimizing adverse effects on the environment. Over the years, the EIA framework has undergone amendments to enhance its effectiveness in addressing contemporary environmental challenges.

C. TAX RELATED LAWS

Income Tax Act, 1961

The Income-tax Act, 1961 (“**IT Act**”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its Residential Status and Type of Income involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

Goods and Services Tax (“GST”)

The GST is applicable on the supply of goods or services as against the present concept of tax on the manufacture and sale of goods or provision of services. It is a destination based consumption tax. It is dual GST with the Central and State Governments simultaneously levying it on a common tax base. The GST to be levied by the Centre on intra-State supply of goods and / or services is called the Central GST (‘CGST’) as provided by the CGST Act and that to be levied by the States is called the State GST (‘SGST’) as given under the SGST Acts. An Integrated GST (‘IGST’) under the IGST Act is to be levied and collected by the Centre on inter-State supply of goods and services. The CGST and SGST are to be levied at rates, to be jointly decided by the Centre and States.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

There are indirect taxes that are levied and collected by the Central and State Government which are now subsumed under GST. Some of the taxes which were applicable to the Company are as follows:

- Service Tax
- Value Added Tax
- The Central Sales Tax Act, 1956

Customs Tariff (Identification, Assessment, and Collection of Countervailing Duty on Subsidized Articles and for Determination of Injury) Rules, 1995

The "Customs Tariff (Identification, Assessment, and Collection of Countervailing Duty on Subsidized Articles and for Determination of Injury) Rules, 1995" is a set of regulations in India that provides a framework for the identification, assessment, and collection of countervailing duty on subsidized articles. Countervailing duties are imposed to counteract the negative impact of subsidies provided by foreign governments on the importation of specific goods. The rules outline the procedures and criteria for determining whether a subsidy exists, assessing the amount of countervailing duty, and establishing whether the subsidized imports are causing injury to domestic industries.

Key components of these rules typically include provisions for conducting investigations to evaluate the impact of subsidized imports on domestic industries, determining the existence of subsidies, and calculating the appropriate countervailing duty. The objective is to ensure fair trade practices, protect domestic industries from unfair competition resulting from subsidized imports, and prevent injury to the domestic economy.

D. INTELLECTUAL PROPERTY LAWS

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

Trade Marks Act, 1999

The Trademark Act provides for the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trade mark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it. Applications for a trade mark registration may be made for in one or more classes. Once granted, trade mark registration is valid for ten years unless cancelled.

The Trade Mark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trade mark in other countries.

E. FOREIGN REGULATIONS

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is

specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Foreign Exchange Management Act, 1999

When a business enterprise imports goods from other countries, exports its products to them or makes investments abroad, it deals in foreign exchange. Foreign Exchange Management Act, 1999 (“**FEMA**”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

F. LAWS RELATING TO EMPLOYMENT AND LABOUR

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (“**EPF Act**”), mandates provisioning for provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities.

Employees State Insurance Act, 1948 (the “ESI Act”)

The promulgation of Employees' State Insurance Act, 1948 envisaged an integrated need based social insurance scheme that would protect the interest of workers in contingencies such as sickness, maternity, temporary or permanent physical disablement, death due to employment injury resulting in loss of wages or earning.

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution. The act provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary.

The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- a) on his/her superannuation;
- b) on his/her retirement or resignation;

- c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply)

A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every factory and every other establishment employing twenty (20) or more persons. Every employee shall be entitled to be paid by his employer in an accounting year, bonus, in accordance with the provisions of this Act, provided he has worked in the establishment for not less than thirty working days in that year.

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It provides, inter alia, for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women, etc. Government, further amended the Act which is known as The Maternity Benefit (Amendment) Act, 2016, effective from March 28, 2017 introducing more benefits for pregnant women in certain establishments.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (“**IDA**”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

Shops and commercial establishment’s legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. Once effective, it will subsume, inter alia, the Factories Act, 1948, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Contract Labour (Regulation & Abolition) Act, 1970.

G. GENERAL LEGISLATIONS

Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as Companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors.

In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Indian Contract Act, 1872

The Indian Contract Act, 1872 (“**Contract Act**”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as void or voidable. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

Competition Act, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the CCI) as the authority mandated to implement the Competition Act. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Consumer Protection Act, 2019

The Consumer Protection Act, 2019 has repealed and replaced the Consumer Protection Act, 1986. The Consumer Protection Act ("COPRA") aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being

hazardous to life and safety when used. The COPRA provided for a three tier consumer grievance redressal mechanism at the national, state and district levels.

Transfer of Property Act, 1882

Transfer of Property Act, 1882 (“**the TP Act**”) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

Registration Act, 1908

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

Limitation Act, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, ‘period of limitation’ means the period of limitation prescribed for any suit, appeal or application by the Schedule, and ‘prescribed period’ means the period of limitation computed in accordance with the provisions of this Act.

Arbitration and Conciliation Act, 2015

The Arbitration and Conciliation Act ("Arbitration Act") was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process. There are many provisions that also permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

Bureau of Indian Standards (BIS) Act, 1986

Bureau of Indian Standards Act, 1986, is a significant piece of legislation. The BIS Act establishes the Bureau of Indian Standards, empowering it to develop, maintain, and promote standards to ensure the quality and safety of products. The Bureau's mandate extends to certification of products, hallmarking of precious metals, and formulation of standards for goods, processes, systems, and services. The BIS Act aims to enhance consumer protection, facilitate international trade, and foster quality assurance in various sectors across India.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as Stallion India Fluorochemicals Private Limited, a private limited company, at Mumbai under the Companies Act, 1956 on September 05, 2002, and was granted the certificate of incorporation by the RoC. Subsequently, the name of the Company was changed to Stallion India Fluorochemicals Limited pursuant to a special resolution passed by the shareholders of the Company on August 07, 2023, and a fresh certificate of incorporation dated October 05, 2023 was issued by the RoC consequent upon change of name upon conversion into a public limited company under the Companies Act, 2013.

Our company acquired Stallion Enterprises (Proprietary firm of Shazad Sheriar Rustomji) on a slum sale basis pursuant to Slum sale agreement dated September 30, 2023

Change in the Registered Office

Except as stated below, there has been no change in the registered office of our Company since incorporation:

Effective Date	Details of change in the address of the Registered Office	Reason for change
October 17, 2009	The registered office of our Company was changed from 11, Mona Building, J.P. Road, Andheri (West), Mumbai-400058 to 4, Orbit Industrial Estate, Chincholi Bunder Road, Extn. Off Malad Link Road, Malad (West), Mumbai-400064.	For administrative and operational convenience
October 30, 2010	The registered office of our Company was changed from 4, Orbit Industrial Estate, Chincholi Bunder Road, Extn. Off Malad Link Road, Malad (West), Mumbai-400064 to 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - (West), Mumbai – 400064.	For administrative and operational convenience

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

To Carry on the Business of Exporters, Importers, Buyers, Sellers, Suppliers, Stockist, Merchants, Distributors, leasing, Investors - In Fluorochemicals, Allied Chemicals, Industrial Gases, Propane, Butane, All Hydrocarbons Gases, Isobutane, LPG, etc., Pharmaceutical Propellants, Aerosol Propellants, Organic And Inorganic Gases, Mixtures Of Gases, Calibrated Gases in Accordance with the Gas Standards, Halons, HCFC's, HFC's, HFO's, Inert & Rare Gases, Industrial and Medical Gases, Gases used as Solvents & Cleaners, Blowing agent gases & chemicals, Oil gases, Oils for Refrigerants, All categories of Mineral and Synthetic oils, Lubricants, and All Types of Chemicals, Organic And Non-Organic and Petroleum Base Products For Industrial, Commercial, Pharmaceutical, Cosmetic & Residential Purposes, All Ethers Like DME & Difluoroethane For Various Uses As Propellants, Refrigerants, Aerosols, Treatment Gases for various Industries, Various Medical Sterilant Gases, Refilling of Refrigerant and Air Conditioners' Gases And Other Industrial Gases, & All and Any Type Of Gases In Bulk And Consumer Packing & Storage Including C&F Activity For The Same; in Farming, Cattle's Farming, Livestock And Fish Farming, Fish And Fish Products, Poultry Framing, Milk & Dairy Products, Foodstuffs, Canned, Tinned and Processed Foods, Fruits, Vegetables, Spices; In Computer, Software Products; Ready-Made Garments and Apparels, Hosiery Goods; Engineering and Electronic Spares and Accessories.

Amendments to our Memorandum of Association in the last 10 years

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Except as stated below, there have been no amendments to our Memorandum of Association in the last 10 years preceding the date of this Red Herring Prospectus.

Date of change/ shareholders' resolution	Nature of amendment
October 15, 2014	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of face value of ₹10 each to Rs. 7,00,00,000 consisting of 70,00,000 Equity shares of face value of ₹10 each.
April 26, 2017	Clause III A. 1 was altered. Clause III C. "Other Objects" of Memorandum of Association was merged under clause III B. "Matters which are necessary for furtherance of the Objects".
January 16, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from Rs. 7,00,00,000 consisting of 70,00,000 Equity shares of face value of ₹10 each to Rs. 14,00,00,000 consisting of 1,40,00,000 Equity shares of face value of ₹10 each.
May 27, 2022	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from Rs. 14,00,00,000 consisting of 1,40,00,000 Equity shares of face value of ₹10 each to Rs. 60,00,00,000 consisting of 6,00,00,000 Equity shares of face value of ₹10 each.
August 7, 2023	Clause I of the Memorandum of Association was amended to reflect the change in the name of the Company pursuant to conversion into a public limited company, from Stallion India Fluorochemicals Private Limited to Stallion India Fluorochemicals Limited.
August 7, 2023	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from Rs. 60,00,00,000 consisting of 6,00,00,000 Equity shares of face value of ₹10 each to Rs. 1,30,00,00,000 consisting of 13,00,00,000 Equity shares of face value of ₹10 each.

Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Event /milestone
1992	Stallion Enterprises started operations in 1992. <i>(Acquired by the company on a Slump Sale basis pursuant to slump sale agreement in the year 2023)</i>
1998	Stallion established its first standalone HFC debulking /bottling facility in India in 1998 at its Panvel facility outside Mumbai.
2002	Stallion started operations at its North India de-bulking /bottling facility at Manesar –Gurgaon in 2002 to support just in time supplies for its customers in the NCR region. Stallion India Fluorochemicals Private Limited is incorporated.
2006	Stallion and Honeywell enters into agreement to jointly market and distribute Honeywell's HFC's, Fluorines and Refrigerant Specialities in India.
2009	Stallion initiated work to help Indian Navy retrofit existing vessels from CFC's to alternate HCFC blends
2010	Stallion Introduces and starts testing of the next generation HMPE ropes with the Indian Navy and initiates the yearlong No cost No commitment trials.
2013	Stallion sets up a wholly new Flammable gas debulking and refilling Plant at its Khalapur facility in Maharashtra for all the hydrocarbon, HFC and next generation HFO gas.
2016	Stallion Starts commercial supplies of HFO-1234yf to auto OEM's in India to help Indian auto OEM's meet the European F gas regulations for their exports to Europe.
	Stallion enters into an agreement with Daikin Japan and Daikin Appliances India Pvt. Ltd. to be the sourcing and Logistic partner to allow successfully HFC-32 to be commercially available for the AC&R Industry in India
	Stallion Starts Commercial supplies of Isobutane, from its Khalapur plant, for refrigerator OEM's in India to support the HFC phase out and meet the strict Energy Emission norms.

2017	Stallion Introduces and promotes the next generation Solstice HFO Refrigerants under agreement with Honeywell in India
2018	Stallion expands its Khalapur facility to a second plant and starts blending facility for Refrigerant Blends.
2020	Stallion Starts its new facility at Ghiloth, Rajasthan for Refrigerants and Flammable gases to supplement its Manesar Plant and to meet the growing demand in North India
2023	Stallion India Fluorochemicals Private Limited goes Public Limited
2023	Stallion India Fluorochemicals Limited, takes over Stallion Enterprises in a Slump Sale

Time and cost overrun

As on the date of this Red Herring Prospectus, there has been no time or cost over-run in respect of our business operations.

Default or rescheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Red Herring Prospectus, there has been no instance of defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

Changes in the Activities of our Company during the last five years

There have been no changes in the activities of our Company since its date of incorporation which may have had a material adverse effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Material Acquisitions of Businesses or Divestment of Business / Undertakings, Mergers, Amalgamation or Revaluation of Assets, If any in Last 10 Years

There are no mergers, amalgamation, revaluation of assets etc. with respect to our Company in the last 10 (ten) years. Except as mentioned below, we had not acquired / sold any businesses / undertakings in last 10 (ten) years from the date of this Red Herring Prospectus.

Stallion Enterprise, a Proprietary Firm owned by Shazad Sheriar Rustomji, was acquired on a Slump Sale basis as per the Slump Sale Agreement dated September 30, 2023. The acquisition was facilitated by issuing 6,341,514 Equity shares of face value of ₹10 each at an Issue Price of Rs. 51.20 per share to Shazad Sheriar Rustomji. The valuation of the Company's Equity Shares, utilized for determining the issue price, was determined through a valuation report by Abhishek S. Tiwari (B.Com, FCA, RV, FAFD) dated September 15, 2023.

Significant financial and/or strategic partners

Our Company has not entered into any Significant Financial or Strategic Partnerships except as entered in its normal course of business.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation, location of our manufacturing facilities, see “Our Business” on page 144

Our Holding Company

We do not have a holding company as on the date of this Red Herring Prospectus.

Our subsidiaries, joint ventures and associate companies

As on date of this Red Herring Prospectus, our Company does not have any subsidiaries, joint ventures or associate companies.

Agreements with Key Managerial Personnel or Senior Management, Directors, Promoters or any other employee

There are no agreements entered into by any Key Managerial Personnel or Senior Management, Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholders or any other third parties with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Guarantees given by Promoters

As on the date of this Red Herring Prospectus, no guarantee has been issued by Promoters except as disclosed in the Risk factor no. 33 on page no. 28.

Shareholders' agreement and other agreements

Our Company has not entered into any shareholders' agreements and other agreements, other than the agreements entered into by it in ordinary course of its business as on the date of this Red Herring Prospectus. There are no inter-se agreements/ arrangements between the shareholders of our Company. Further, there are no inter se agreements/ arrangements and clauses/ covenants which are material and which need to be disclosed and that there are no other clauses/ covenants which are adverse/ pre-judicial to the interest of the minority/ public shareholders. Further, there are no agreements, deed of assignments, acquisition agreements, shareholders agreements, inter-se agreements, and agreements of like nature.

Special Rights

“That no special rights are available to the Promoters / Shareholders in the AoA, at the time of filing of the offer document/RHP

Other Confirmations

Articles of Association (AoA) does not give any special rights of any kind to any person

OUR MANAGEMENT

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Red Herring Prospectus, our Board comprises Eight Directors, including One Managing Director, Three Executive Directors and Four Independent Directors. We have two women directors on our Board.

The following table sets forth details regarding our Board as of the date of this Red Herring Prospectus:

Sr. No.	Name, designation, period, term of directorship, term, address, occupation, date of birth, DIN and age	Other directorships
1.	<p>Shazad Sheriar Rustomji Age: 53 years Designation: Chairman and Managing Director Address: 1002/03 A Wing, Serenity Heights, 10th Floor, Raheja Mindspace, Chincholi Bunder road Extn, Malad (w), Mumbai-400064 Occupation: Business Date of birth: March 18, 1970 Period of directorship: Director since September 05, 2002 Term: For a period of Five years from April 01, 2022 up to March 31, 2027 DIN:01923432</p>	Shazad Rustomji Foundation
2.	<p>Manisha Shazad Rustomji Age: 51 years Designation: Executive Director Address: 1002/03 A Wing, Serenity Heights, 10th Floor, Raheja Mindspace, Chincholi Bunder road Extn, Malad (w), Mumbai-400064 Occupation: Business Date of birth: December 14, 1972 Period of directorship: Director since September 05, 2002 Term: Retire by rotation DIN:03186678</p>	Nil
3.	<p>Rohan Shazad Rustomji Age: 25 years Designation: Executive Director Address: 1002/03 A Wing, Serenity Heights, 10th Floor, Raheja Mindspace, Chincholi Bunder road Extn, Malad (w), Mumbai-400064 Occupation: Business Date of birth: November 30, 1998 Period of directorship: Director since September 30, 2021 Term: Retire by rotation DIN:09312347</p>	Shazad Rustomji Foundation
4.	<p>Geetu Yadav Age: 38 years Designation: Executive Director Address: Ateli (Rural) (21) Mahendragarh - 123021, Harayana Occupation: Business Date of birth: May 05, 1985 Period of directorship: Director since November 25, 2020 Term: Retire by rotation DIN: 08831278</p>	Nil
5.	<p>Rajagopal Neelacantan Age: 76 years Designation: Independent Director Address: 902-A, Evershine Grandeur CHS Ltd, Behind Inorbit Mindspace, Inorbit Mall, Malad (w) Mumbai-400064 Occupation: Business Date of birth: October 17, 1947 Period of directorship: Director since July 03, 2023 Term: For a period of Five years from July 03, 2023 up to July 02, 2028 DIN:00176806</p>	Maple Leaf Resorts And Hotels Private Limited

Sr. No.	Name, designation, period, term of directorship, term, address, occupation, date of birth, DIN and age	Other directorships
6.	<p>Virenderkumar Mehta Age:62 years Designation: Independent Director Address: F-4B, Indralok Apartment Opp. Lake View Hotel Piplod Abhva Surat – 395007. Occupation: Business Date of birth: June 22, 1961 Period of directorship: Director since July 03, 2023 Term: For a period of Five years from July 03, 2023 up to July 02, 2028 DIN:10207689</p>	Nil
7.	<p>Gautam Lath Age: 31 years Designation: Independent Director Address: 304, Harshad Heights, 150, Feet Road, Opp. Maxus Mall, Bhayander (W) -401101 Occupation: Professional Date of birth: September 22, 1992 Period of directorship: Director since October 16, 2023 Term: For a period of Five years from October 16, 2023 up to October 15, 2023 DIN: 10198794</p>	<ol style="list-style-type: none"> 1. Seren Capital Private Limited 2. Deepak Chemtex Limited 3. Maven Capital Advisors Private Limited
8.	<p>Mukund Kandoi Age: 32 years Designation: Independent Director Address: G-702, Shri Marigold CHSL, Valley of Flowers, Thakur Village, Kandivali (East), Mumbai- 400101, Maharashtra Occupation: Professional Date of birth: January 23, 1992 Period of directorship: Director since January 31, 2024 Term: From January 31, 2024 till ensuing Annual General Meeting DIN: 10483497</p>	Nil

Brief Profiles of Directors

Shazad Sheriar Rustomji

He is the Promoter and Managing Director of the Company. His professional journey commenced during his college years when he initiated a seafood export venture, Stallion Exports. He has completed his Junior college education from Mithibai College, Mumbai in 1988.

He has a good understanding of supply chain logistics along with what is the key requirement of the customer and the entire value chain. He has over 30 years of experience in the field of Refrigerants and specialty chemicals having grown the company step by step through the early 2000's. He looks after the day-to-day business operations of the Company.

Rohan Shazad Rustomji

He is the Promoter & Executive Director of the Company. He has completed his level 5 of BTEC from RIMS International School of Business and Technology, he is presently pursuing an online course of Bachelor of Business Administration (BBA) from University of Derby, UK.

Currently, he looks after the Imports and banking functions of the Company, reflecting his commitment to contributing meaningfully to the operational and financial aspects of the company. He has 2 years of experience in the field of finance.

Manisha Shazad Rustomji

She is the Promoter & Executive Director of the Company. She has successfully completed her diploma in Fashion Designing in 1995-96. Furthermore, she holds a certificate as registered medical practitioner in Alternative Medicine, awarded by The Indian Board of Alternative Medicine.

She currently looks after the role of Public Relations Manager in the Company. In addition to her corporate responsibilities, she has been actively engaged in Corporate Social Responsibility (CSR) activities, showcasing her commitment to broader societal and community welfare. She has 8 years of experience in the field of Public Relations.

Geetu Yadav

She is the Executive Director of the Company. She has a dual Master's degree, having completed a Master's in Computer Science and a Master's in Computer Application from Maharishi Dayanand University, Rohtak in the year 2009 & 2010, respectively. Additionally, Geetu has pursued legal studies and holds an LLB degree from Himachal Pradesh University, 2017.

She has a broad understanding of different aspects of the company, such as production, supply chain, imports, sales, and finance. Her expertise spans across all areas of the organization. She is actively involved in the evaluation and execution of new product introductions, showcasing her leadership in product development initiatives. She has over 4 years of experience in the field of supply chain, Production, imports, sales, and finance.

Rajagopal Neelacantan

He is the Independent Director of the Company. He has completed his Bachelor's degree in Science from University of Bombay in the year 1976.

He holds a directorship position on the board of Maple Leaf Resorts and Hotels Private Limited, showcasing his continued engagement in strategic leadership roles. His professional experience and role as a director reflects his important contributions to leading and guiding the governance and strategic planning.

Virenderkumar Mehta

He is the Independent Director of the Company. He holds a Bachelor's degree in Science and a Master's degree in Arts, both from Rajasthan University. He specializes in Indirect Taxation.

His commitment to professional development is evident through his participation in specialized training programs. Mr. Mehta has attended training sessions on Excise Audit and customs work. He has attended the course on "Sevottam" conducted by the National Academy of Customs, Excise and Narcotics, Regional Training in Vadodara in the year 2013-14 and 2014-15.

Mr. Mehta has contributed significantly to the public sector, having served in the Ministry of Finance, India, as Assistant Commissioner of Customs, Excise, and GST. Presently, he is engaged in providing advisory services on Indirect Taxation, demonstrating his continued commitment to leveraging his expertise for the benefit of organizations and businesses. He has more than 25 years of experience in the field of indirect taxation.

Gautam Lath

He is the Independent Director of the Company, bringing a professional background to the board. He is qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI). With a professional tenure exceeding 10 years, He has expertise in Management Consulting and Taxation.

He served as the Chairman for the Entrepreneurship & Public Service, Corporate Laws and Corporate Governance committee, GST & Indirect Taxes committee, and International Trade for the period 2023-24. This appointment reflects his commitment to contributing to the advancement and regulatory aspects of these critical domains within

the organizational and industry context. He has over 10 years of professional experience in Management Consulting and Taxation

Mukund Kandoi

He is an Independent Director of the Company. He is a Chartered Accountant, having successfully completed the examination in the year 2015 from the Institute of Chartered Accountants of India (ICAI). With over 9 years of professional experience, he possesses skill set in Finance, Cash Flow Management, Bookkeeping, Income Tax, Transfer Pricing, and GST Compliances. Presently, he holds the position of Group Chief Financial Officer (CFO) at Purple Group (Mumbai).

RELATIONSHIP BETWEEN OUR DIRECTORS

There is no relationship between Promoters of our Company with other Directors.

CONFIRMATIONS

As on the date of this Red Herring Prospectus:

1. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
2. The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
3. None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations.
4. None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
5. None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
6. None of the Promoter or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Remuneration / Compensation of Directors

Pursuant to Extra-Ordinary General Meeting held on November 10, 2023, the company has decided to increase the remuneration of Directors w.e.f from November 01, 2023, however, the effective date of payment of remuneration was made effective w.e.f October 01, 2024 pursuant to board resolution dated October 23, 2024 as mentioned below:

(₹. in lakhs)

Sr. No.	Name of Director	Designation	Remuneration
1.	Shazad Sheriar Rustomji	Chairman & Managing Director	41.50 per month
2.	Geetu Yadav	Executive Director	16.50 per month
3.	Rohan Shazad Rustomji	Executive Director	5.00 per month
4.	Manisha Shazad Rustomji	Executive Director	2.50 per month

No remuneration is paid to the Non-Executive Directors.

Directors of the Company are paid monthly remuneration, sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations. For details regarding remuneration paid to directors in the previous financial years kindly refer Restated Financial Statement Annexure - Related Party Transaction of beginning on page 220 of this Red Herring Prospectus.

Terms of Appointment of our Executive Directors

Shazad Sheriar Rustomji –Chairman, Managing Director and Chief Executive Officer

Shazad Sheriar Rustomji is the Chairman, Managing Director and Chief Executive Officer of our Company and has been a Director on our Board since September 05, 2002.

He has been re-appointed as the Managing Director of our Company with effect from April 01, 2022, pursuant to the resolution passed by our Board on February 10, 2022.

Further, he has been appointed as the Chief Executive Officer of our Company with effect from November 01, 2023, pursuant to the resolution passed by our Board on October 16, 2023.

Pursuant to the terms of the Board resolution dated October 16, 2023, and Shareholders’ resolution dated November 10, 2023, the company had decided to increase the remuneration of Shazad Sheriar Rustomji w.e.f. November 01, 2023, however, the effective date of payment of remuneration was made effective w.e.f October 01, 2024 pursuant to board resolution dated October 23, 2024 as follows:

Particulars	Amount and other perquisites
Remuneration	₹41.50 lakhs per month
Perquisites and Allowances	Entitled to Performance Incentives, Personal Allowances as may be determined by the Board or its committee thereof in each year and other statutory benefits in compliance with the applicable laws such as provident fund contribution, Payment of Bonus, Mediclaim insurance for self and family members and such other benefits, amenities, facilities, allowances, and perquisites as per the Company’s HR policies or as may be decided by our Board/Committee.
Sitting Fees	As may be determined by the Board from time to time for attending the meeting of the Board of Directors or Committee thereof.

Manisha Shazad Rustomji – Executive Director

Manisha Shazad Rustomji has been a Director on our Board since September 05, 2002.

Pursuant to the terms of the Board resolution dated October 16, 2023, and Shareholders’ resolution dated November 10, 2023, the company had decided to increase the remuneration of Manisha Shazad Rustomji w.e.f. November 01, 2023, however, the effective date of payment of remuneration was made effective w.e.f October 01, 2024 pursuant to board resolution dated October 23, 2024 as follows

Particulars	Amount and other perquisites
Remuneration	₹ 2.50 lakhs per month
Perquisites and Allowances	Entitled to Performance Incentives, Personal Allowances as may be determined by the Board or its committee thereof in each year and other statutory benefits in compliance with the applicable laws such as provident fund contribution, Payment of Bonus, Mediclaim insurance for self and family members and such other benefits, amenities, facilities, allowances, and perquisites as per the Company’s HR policies or as may be decided by our Board/Committee.
Sitting Fees	As may be determined by the Board from time to time for attending the meeting of the Board of Directors or Committee thereof.

Rohan Shazad Rustomji – Executive Director

Rohan Shazad Rustomji is appointed as an Executive Director on September 30, 2021.

Pursuant to the terms of the Board resolution dated October 16, 2023, and Shareholders' resolution dated November 10, 2023, the company had decided to increase the remuneration of Rohan Shazad Rustomji w.e.f. November 01, 2023, however, the effective date of payment of remuneration was made effective w.e.f. October 01, 2024 pursuant to board resolution dated October 23, 2024 as follows:

Particulars	Amount and other perquisites
Remuneration	₹5.00 lakhs per month
Perquisites and Allowances	Entitled to Performance Incentives, Personal Allowances as may be determined by the Board or its committee thereof in each year and other statutory benefits in compliance with the applicable laws such as provident fund contribution, Payment of Bonus, Mediclaim insurance for self and family members and such other benefits, amenities, facilities, allowances, and perquisites as per the Company's HR policies or as may be decided by our Board/Committee.
Sitting Fees	As may be determined by the Board from time to time for attending the meeting of the Board of Directors or Committee thereof.

Geetu Yadav – Executive Director

Geetu Yadav is appointed as an Executive Director on November 25, 2020.

Pursuant to the terms of the Board resolution dated October 16, 2023, and Shareholders' resolution dated November 10, 2023, the company had decided to increase the remuneration of Rohan Shazad Rustomji w.e.f. November 01, 2023, however, the effective date of payment of remuneration was made effective w.e.f. October 01, 2024 pursuant to board resolution dated October 23, 2024 as follows:

Particulars	Amount and other perquisites
Remuneration	₹16.50 lakhs per month
Perquisites and Allowances	Entitled to Performance Incentives, Personal Allowances as may be determined by the Board or its committee thereof in each year and other statutory benefits in compliance with the applicable laws such as provident fund contribution, Payment of Bonus, Mediclaim insurance for self and family members and such other benefits, amenities, facilities, allowances, and perquisites as per the Company's HR policies or as may be decided by our Board/Committee.
Sitting Fees	As may be determined by the Board from time to time for attending the meeting of the Board of Directors or Committee thereof.

Remuneration to our Non-Executive Directors and Independent Directors

Sr. No.	Name of Independent Director	Board Approval	Entitle to sitting fees w.e.f.	Sitting Fees	
				Per Board Meeting	Per Committee Meeting
1.	Rajagopal Neelacantan	July 03, 2023	July 03, 2023	₹25,000/-	₹25,000/-
2.	Virenderkumar Mehta				
3.	Gautam Lath	October 16, 2023	October 16, 2023		
4.	Mukund Kandoi	January 31, 2024	January 31, 2024		

Shareholding of our Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares.

The shareholding of our Directors as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the Director	Number of Equity Shares of face value of Rs. 10.00 each	% of Pre-Issue Equity Share Capital
1.	Shazad Sheriar Rustomji	5,81,45,864	94.60
2.	Geetu Yadav	33,00,100	5.37
3.	Manisha Shazad Rustomji	15,750	0.02
4.	Rohan Shazad Rustomji	4,500	0.01
5.	Rajagopal Neelacantan	100	Negligible

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of interest paid on any loan or advances provided to our company, any Body corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, Promoter, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be to them interested to the extent of any dividend payable and other distributions in respect of the said Equity Shares, if any.

Except as stated in this chapter “Our Management” described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of or acting as Book Running Lead Manager, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except promoters of our Company, none of the other Directors are interested in the promotion of our Company.

No loans have been availed by our Directors from our Company. For further details, please see “Related Party Transactions” on page 220.

Property Interest

Except as stated/referred to in the heading titled “*Land & Properties*” mentioned in the chapter “*Our Business*” beginning on page 144 our Directors have not entered into any contract, agreement or arrangements during the preceding two years from the date of this Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Changes in our Board of Directors during the Last Three Years

The Changes in the Board of Directors of our Company in the three years preceding the date of this Red Herring Prospectus are as follows:

Name	Date of event	Nature of event	Reason
Rajagopal Neelacantan	July 03, 2023	Appointment	Appointed as an Independent Director
Virenderkumar Mehta			
Bankim Ashok Mehta			
Gautam Lath	October 16, 2023		Appointed as an Additional Independent Director
Bankim Ashok Mehta	January 29, 2024	Resignation	Resignation u/s 168 due to personal and unavoidable circumstances
Mukund Kandoi	January 31, 2024	Appointment	Appointed as an Additional Independent Director
Gautam Lath	September 06, 2024	Change in designation	Appointed as an Independent Director
Mukund Kandoi			

Borrowing Powers of Board

Pursuant to special resolution passed at Extra-Ordinary General Meeting of our Company held on October 30, 2023 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company, its free reserves and securities premium, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed ₹500.00 crore.

Corporate Governance

The corporate governance provisions of the Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges, BSE and NSE. We are in compliance with the requirements of the applicable regulations, including the Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof, as applicable, and formulation of policies. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the Listing Regulations and the guidelines issued thereunder from time to time. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Committees of the Board

In terms of the Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;
- d) Corporate Social Responsibility Committee; and
- e) Risk Management Committee.

a) **Audit Committee**

Our Company has reconstituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on October 16, 2023. The Terms of Reference for the Audit Committee were amended in the Board meeting held on December 06, 2024

Composition of Audit Committee:

Name of the Director	Status	Nature of Directorship
Gautam Lath	Chairman	Independent Director
Virenderkumar Mehta	Member	Independent Director
Shazad Sheriar Rustomji	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as disclosed below:

- a) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) recommending to the Board, the appointment, re-appointment, removal and replacement, remuneration and the terms of appointment of the auditors of the Company, including fixing the audit fees;
- c) reviewing and monitoring the statutory auditors' independence and performance and the effectiveness of audit process;
- d) approving payments to the statutory auditors for any other services rendered by statutory auditors;
- e) reviewing with the management, the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:
 - i. matters required to be stated in the Directors' responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions; and
 - vii. qualifications and modified opinions in the draft audit report.
- f) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- g) scrutinizing inter-corporate loans and investments;
- h) undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;
- i) evaluation of internal financial controls and risk management systems;
- j) monitoring the end use of funds raised through public offers and related matters;
- k) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- l) approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- m) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- n) reviewing, along with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- o) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- p) reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- q) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- r) discussing with internal auditors any significant findings and follow up thereon;
- s) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- t) discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- u) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- v) approving the appointment of the chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate;
- w) reviewing the functioning of the whistle blower mechanism;
- x) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;
- y) formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;
- z) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- aa) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- bb) investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;
- cc) Approving the key performance indicators for disclosure in the offer documents.
- dd) reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;

4. to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
5. to have such powers as may be prescribed under the Companies Act and the SEBI Listing Regulations

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Chairman of the committee has to attend the Annual General Meetings of the Company to clarifications on matters relating to the audit.

b) *Nomination and Remuneration Committee;*

Our Company has reconstituted a Nomination and Remuneration Committee. The reconstitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on January 31, 2024. The Terms of Reference for the Nomination and Remuneration Committee were amended in the Board meeting held on December 06, 2024.

Composition of Nomination and Remuneration Committee

Name of the Director	Status	Nature of Directorship
Rajagopal Neelacantan	Chairman	Independent Director
Mukund Kandoi	Member	Independent Director
VirenderKumar Mehta	Member	Independent Director
Shazad Sheriar Rustomji	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, Regulation 19 of the SEBI Listing Regulations, and its terms of reference are as disclosed below:

- a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates
- c) Formulation of criteria for evaluation of performance of independent directors and the Board.
- d) Devising a policy on Board diversity.
- e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director).
- f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- h) Succession planning for the key executives and overseeing;

- i) Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
- j) performing such functions as are required to be performed by the committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- k) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

c) Stakeholders' Relationship Committee;

Our Company has reconstituted a Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was reconstituted as per the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on January 31, 2024. The Terms of Reference for the Stakeholders' Relationship Committee were amended in the Board meeting held on December 06, 2024.

Composition of Stakeholders Relationship Committee

Name of the Director	Status	Nature of Directorship
Rajagopal Neelacantan	Chairman	Independent Director
Mukund Kandoi	Member	Independent Director
Shazad Sheriar Rustomji	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Stakeholders Relationship Committee.

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations, and its terms of reference are as disclosed below:

- 1) redressal of grievances of the shareholders, debenture holders and other security holders of our Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- 2) reviewing measures taken for effective exercise of voting rights by the shareholders;
- 3) investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities;
- 4) reviewing adherence to the service standards adopted by our Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;
- 5) reviewing the various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company;
- 6) formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- 7) approving, registering, refusing to register transfer or transmission of shares and other securities;
- 8) giving effect to dematerialisation of shares and re-materialisation of shares, sub-dividing, consolidating and/or replacing any share or other securities certificate(s) of our Company, compliance with all the requirements related to shares, debentures and other securities from time to time;
- 9) issuing duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of our Company; and

- 10) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was reconstituted by a meeting of our Board held on January 31, 2024. The members of the Corporate Social Responsibility Committee are:

Name of the Director	Status	Nature of Directorship
Shazad Sheriar Rustomji	Chairman	Managing Director
Mukund Kandoi	Member	Independent Director
Rajagopal Neelacantan	Member	Independent Director

The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act;
2. formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:
 - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
 - c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - d) monitoring and reporting mechanism for the projects or programmes; and
 - e) details of need and impact assessment, if any, for the projects undertaken by the company;
3. recommend the amount of expenditure to be incurred on the CSR activities; and
4. Monitor the Corporate Social Responsibility Policy of the company from time to time.

e) Risk Management Committee.

The Risk Management Committee was reconstituted by a meeting of our Board held on October 16, 2023. The members of the Risk Management Committee are:

Name of the Director	Status	Nature of Directorship
Gautam Lath	Chairman	Independent Director
Virenderkumar Mehta	Member	Independent Director
Shazad Sheriar Rustomji	Member	Managing Director

The scope and functions of the Risk Management Committee of our Company are in accordance with Regulation 21 of the SEBI Listing Regulations and the applicable rules thereunder, and have been set out below:

1. To formulate a detailed risk management policy this shall include:
 - a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.

- c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 3. To co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per framework laid down by the board of directors;
 4. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 5. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 6. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 7. To approve major decisions affecting the risk profile or exposure and give appropriate directions;
 8. To consider the effectiveness of decision-making process in crisis and emergency situations;
 9. To balance risks and opportunities;
 10. To generally, assist the Board in the execution of its responsibility for the governance of risk;
 11. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
 12. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
 13. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing regulations.

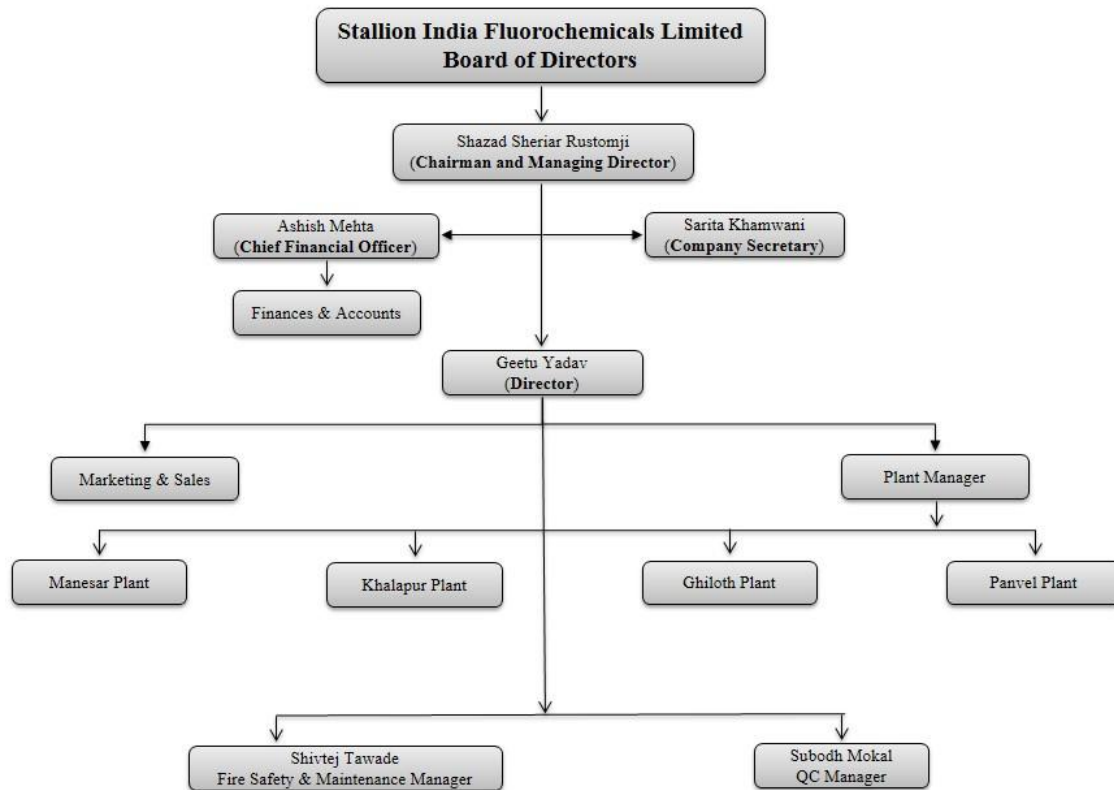
Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Sarita Khamwani, Company Secretary and Compliance Officer, is responsible for monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

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Organizational Structure



Key Managerial Personnel

In addition to our Managing Director Shazad Sheriar Rustomji whose details are provided under "Brief biographies of the Directors" in chapter "Our Management" on page 183 of this Red Herring Prospectus, the details of our other Key Managerial Personnel as on the date of this Red Herring Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

Sartia Khamwani (Company Secretary & Compliance Officer)

Sarita Khamwani is the Company Secretary & Compliance Officer of the Company. She is a Commerce graduate from H. R. College of Commerce and Economics, Mumbai and has also completed her Bachelors in Law from Kishenchand Chellaram Law College, Mumbai. She is a qualified Company Secretary and a member of Institute of Company Secretaries of India (ICSI). She has intensive knowledge and work experience in secretarial matters, legal matters and documentation.

Ashish Mehta (Chief Financial Officer)

Ashish Mehta is the Chief Financial Officer of our Company. He is a qualified Chartered Accountant having passed the examination in the year 2012 from the Institute of Chartered Accountants of India (ICAI). Further, he also holds a Cost Accountant from the Institute of Cost Accountants of India having passed the examination in the year 2014 and a Company Secretary qualification from the Institute of Company Secretaries of India (ICSI) having passed the examination in the year 2009. He has a vast experience of more than 12 years in the field of preparation and filling of Income Tax, GST, Service Tax, Excise and TDS return ensuring compliance of Direct & Indirect Taxes.

Departmental/Functional head

Shivtej Tawade, aged about 28 years, holds a Bachelor's degree in Engineering from Mumbai University. With a focus on procurement, he excels in managing Fire Safety & Maintenance, showcasing a skill set that significantly impacts our company's success. He is a dedicated professional with expertise in ensuring safety and maintenance efficiency of our company.

Subodh Mokul, aged about 26 years, he has completed his Bachelor's of Science from Mumbai University, is a key contributor to our organization. His expertise lies in Quality Control, where he plays a crucial role in maintaining high standards across our product range.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

Relationship between Directors and with Key Managerial Personnel

Except as mentioned below in the given table, none of the Directors of our company are related to each other as per section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the Director	Designation	Relationship
1)	Shazad Sheriar Rustomji	Chairman and Managing Director	Husband of Manisha Shazad Rustomji and Father of Rohan Shazad Rustomji
2)	Manisha Shazad Rustomji	Executive Director	Wife of Shazad Sheriar Rustomji and Mother of Rohan Shazad Rustomji
3)	Rohan Shazad Rustomji	Executive Director	Son of Shazad Sheriar Rustomji & Manisha Shazad Rustomji

Relationship between Key Managerial Personnel

There is no family relationship between the Key Managerial Personnel of our Company.

Arrangements and Understanding with Major Shareholders, customers, suppliers or others

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Shareholding of the Key Managerial Personnel

None of the Key Managerial Personnel holds any Equity shares of our Company except Shazad Sheriar Rustomji who holds 5,81,45,864 Equity shares of face value of ₹10 each of the Company as on the date of this Red Herring Prospectus.

Bonus or Profit sharing plan of the Key Managerial Personnel

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

Loans to Key Managerial Personnel

There are no loans outstanding against the key managerial personnel other than the loan, if any as mentioned in the chapter –Restated Financial statement page no 205

Interest of Key Managerial Personnel

The Key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration and reimbursement of expenses.

Except as stated/referred to in the heading titled “Land & Properties” of “Our Business beginning on page 144 of this Red Herring Prospectus our Key Managerial Personnel have no interest in any property acquired by our Company within two years of the date of this Red Herring Prospectus.

Changes in Key Managerial Personnel during Last Three (3) Years

The changes in the key managerial personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Nature	Date of Event
Shazad Sheriar Rustomji	Managing Director	Reappointment	February 10, 2022
Prachi Arjun Walawalkar	Company Secretary and Compliance Officer	Resignation	October 16, 2023
Ashish Mehta	Chief Financial Officer	Appointment	
Sarita Khamwani	Company Secretary and Compliance Officer	Appointment	

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS Scheme to Employees

Presently, our company does not have any ESOP/ESPS Scheme for employees.

Payment or Benefit to our Officers

Except as disclosed in the heading titled “Related Party Disclosure” in the section titled “Financial Statements” beginning on page 205 of this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters

Shazad Sheriar Rustomji, Manisha Shazad Rustomji and Rohan Shazad Rustomji are the promoters of our Company. As on the date of this Red Herring Prospectus, our Promoters collectively hold 5,81,66,114 Equity Shares of face value of ₹10 each, representing 94.63% of the Pre-Issue Equity Share Capital of our Company. For details, see “*Capital Structure – Shareholding of our Promoter and Promoter Group*” on page 75.

Details of our Promoters



Shazad Sheriar Rustomji, aged 53 years, is the Promoter and is also the Managing Director of the Company. For further details, i.e., his date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 183.

His permanent account number is AACPR9139D.



Manisha Shazad Rustomji, aged 51 years, is the Promoter and is also the Executive Director of the Company. For further details, i.e., her date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 183.

Her permanent account number is AACPR3760J.



Rohan Shazad Rustomji, aged 26 years, is the Promoter and is also the Executive Director of the Company. For further details, i.e., his date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 183.

His permanent account number is CQVPR9749E.

Our Company confirms that the PAN, passport numbers, Aadhar card numbers, bank account numbers and driving license numbers of the promoters shall be submitted to the Stock Exchanges at the time of filing of this Red Herring Prospectus.

Interests of our Promoters

Interest in the promotion of our Company

Our Promoters are interested in our Company to the extent that (i) they have promoted our Company; (ii) of their direct or indirect shareholding in the Company; (iii) the dividends payable and any other distributions in respect of their shareholding in our Company; (iii) any directorships and managerial positions that they may hold in our Company and to the extent of any remuneration, reimbursement of expenses payable to them in this regard. For further details of the Promoter's shareholding in our Company, see "Capital Structure - Shareholding of our Promoters and Promoter Group" on page 75.

Interest in the property of our Company

Except as stated in chapter "Our Business" on page 129, our Promoters have no interest, whether direct or indirect, in any property acquired by our Company during the three years preceding the date of this Red Herring Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Interest in our Company arising out of being a member of a firm or company

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are a member, in cash or shares or otherwise by any person either to induce such person to become, or to qualify such person as a director, or otherwise for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoter

Except as mentioned in this section and sections titled "Our Business", "History and Certain Corporate Matters", "Our Management" and "Related Party Transactions" on pages 144, 179, 183 and 262 respectively, our Promoters do not have any other interest in our Company.

Payment or benefits to Promoter or Promoter Group

Except as stated in this chapter "Our Management – Payment or benefits to Key Managerial Personnel and Senior Management Personnel" on page 183 and "Restated Financial Information – Note 31 – Related Party Disclosure pursuant to IND AS-24" on page 205 there have been no amounts paid or benefits given by our Company to our Promoters and members of our Promoter Group in the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay any amount or provide any benefit to our Promoter or members of the Promoter Group as on the date of this Red Herring Prospectus.

Experience of the Promoter in the business of our Company

Our Promoters has adequate experience in the business activities undertaken by our Company.

Disassociation by our Promoters in the last three years

Except from Universal Caritas Foundation on July 08, 2021, our Promoter viz. Shazad Sheriar Rustomji due to personal reason and unavoidable circumstances has not disassociated himself from any other company or firms during the preceding three years from the date of filing of this Red Herring Prospectus.

Material guarantees given by our Promoter

Our Promoters have not given any material guarantees to any third parties, in respect of the Equity Shares, as on the date of this Red Herring Prospectus.

Confirmation

Our Promoters are not involved in any venture that is in the same line of activities or business as that of our Company.

Promoter Group

In addition to the Promoters mentioned above, the individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

A. Natural persons who form a part of our Promoter Group

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Shazad Sheriar Rustomji	Father	Late Sheriar Irani
	Mother	Late Goolcher Irani
	Spouse	Manisha Rustomji
	Sister	Shanoor (Rustomji) Kothari
	Son(s)	Rohan Rustomji
	Spouse Father	Late Shyam Kirparam Narang
	Spouse Mother	Late Neena Shyam Narang
	Spouse Sister	Romica Narang

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Manisha Shazad Rustomji	Father	Late Shyam Kirparam Narang
	Mother	Late Neena Shyam Narang
	Spouse	Shazad Sheriar Rustomji
	Sister	Romica Nazarnng
	Son(s)	Rohan Rustomji
	Spouse Father	Late Sheriar Irani
	Spouse Mother	Late Goolcher Irani
	Spouse Sister	Shanoor (Rustomji) Kothari

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Rohan Shazad Rustomji	Father	Shazad Sheriar Rustomji
	Mother	Manisha Shazad Rustomji

Companies and Corporate entities forming part of our Promoter Group is as follows:

Except Rustomji Dairy farm (Sole proprietary firm of Shazad Sheriar Rustomji) and Shazad Rustomji Foundation there are no Companies and Corporate entities forming part of our Promoter Group.

Change in Control & Management

There has been no change in control and management of our company during the last three years immediately preceding the date of filing of the Red Herring Prospectus.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, the term 'group companies' includes (i) such companies (other than promoter(s) and subsidiary(ies) with which there were related party transactions during the period for which financial information is disclosed in this Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other company, as considered material by our Board.

Subsequently, for (i) above, our Company has considered companies with which there were related party transactions, during the period for which financial information is disclosed in this Red Herring Prospectus, as covered under the applicable accounting standards.

In addition, for the purposes of (ii) above, the Board pursuant to the materiality policy adopted by the Board pursuant to its resolution dated October 16, 2023 has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered 'material' and will be disclosed as a 'group company' in the offer document and offer documents, if (i) our Company has entered into one or more transactions with such company during the preceding completed Fiscal, which individually or cumulatively in value exceeds 10.00% of the total revenue from operations of our Company for the preceding completed Fiscal as per the Financial Statements or 10.00% of the Net Worth for such financial year.

Accordingly, as based on the parameters outlined above, as on date of this Red Herring Prospectus, our Board has not identified any group companies.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

We have not declared dividend in the last three financial years. There is no guarantee that any dividends will be declared or paid in the future.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Independent Auditor’s Examination Report on Restated Financial Information in connection with the proposed Initial Public Offering of Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

The Board of Directors

Stallion India Fluorochemicals Limited

(formerly known as Stallion India Fluorochemicals Private Limited)

2, A Wing, Knox Plaza, Mindspace
Off Malad Link Road, Malad (West),
Mumbai-400064

Dear Sirs,

1. We have examined the attached Restated Financial Information, of Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited) (hereinafter referred to as the “Company” or the “Issuer” or the ‘SIFL’):
 - (a) the “Restated Statement of Assets and Liabilities” as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022(enclosed as Annexure I);
 - (b) the “Restated Statement of Profit and Loss” for the sub-period ended September 30, 2024, March 31, 2024 , March 31, 2023, and March 31, 2022 (enclosed as Annexure II);
 - (c) the “Restated Statement of Changes in Equity” for the stub-period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 (enclosed as Annexure III);
 - (d) the “Restated Statement of Cash Flows” for the stub-period ended September 30, 2024, March 31, 2024 , March 31, 2023, and March 31 2022 (enclosed as Annexure IV);
 - (e) the “Basis of Preparation, Significant Accounting Policies” for the stub-period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 (enclosed as Annexure V);
 - (f) the “Notes to Restated Financial Information” for the stub-period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 (enclosed as Annexure VI); and
 - (g) the “Statement of Adjustments to Audited Financial Statements” as at and for the stub-period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 (enclosed as Annexure VII);(hereinafter together referred to as the “Restated Financial Information”), prepared by the Management of the Company in connection with the proposed Initial Public Offering of Equity Shares of the Company (the “IPO” or “Issue”) in accordance with the requirements of:
 - i. Section 26 of the Companies Act, 2013 (the “Act”) as amended from time to time;
 - ii. Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the “SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (the “SEBI”); and
 - iii. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

The said Restated Financial Information has been approved by the Board of Directors of the Companyat

their meeting held on December 06, 2024, for the purpose of inclusion in the Red Herring Prospectus (“RHP”) and initialed by us for identification purposes only.

Management’s Responsibility for the Restated Financial Information

2. The preparation of the Restated Financial Information, for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India (SEBI), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) in connection with the proposed Initial Public Offering of the equity shares of the Company, is the responsibility of the Management of the Company. The Restated Financial Information have been prepared by the Management of the Company in accordance with the basis of preparation stated in Note II to Restated Financial Information in Annexure V. The Management’s responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of Restated Financial Information. The Management is also responsible for identifying and ensuring that the Group, its jointly controlled operations, joint ventures and associates, comply with the Act, SEBI ICDR Regulations and the Guidance Note.

Auditor’s Responsibilities

3. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act, and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Issue.
4. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
5. The Restated Financial Information has been prepared by the Company’s Management from:
 - (a) the audited financial statements of the Company as at and for the years ended on March 31, 2023 and March 31, 2022 prepared in accordance with Accounting Standard (referred to as “AS”) as prescribed under Section 133 of the Act, read with Companies (Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at the meeting held on July 03, 2023 and September 20, 2022 respectively.
 - (b) the Special purpose audited converged financial statements (based on the previously issued audited financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards – Ind AS) of the Company as at and for the year ended March 31, 2023 and March 31, 2022 prepared in accordance with Indian Accounting Standard (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on October 17, 2023.
 - (c) the audited financial statements of the Company as at and for the quarter ended September 30, 2024 and June 30, 2024 and for the years ended on March 31, 2024 prepared in accordance with Indian Accounting Standard (referred to as “Ind AS”) as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other relevant provisions of the Act, which have been approved by the Board of Directors at the meeting held on December 06, 2024, August 27, 2024 and August 13, 2024 respectively.
6. For the purpose of our examination, we have relied on
 - (a) Auditor’s reports issued by other auditors on financial statements of the Company as at and for the years

ended on March 31, 2023 and March 31, 2022 prepared in accordance with Accounting Standard (referred to as "AS") as prescribed under Section 133 of the Act, read with Companies (Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, dated July 03, 2023 and September 20, 2022.

- (b) Audit report issued by us on the Ind AS Financial Statements of the Company as at and for the quarter ended September 30, 2024 and June 30, 2024, and year ended March 31, 2024, March 31, 2023, and March 31, 2022 dated December 06, 2024, August 27, 2024 and August 13, 2024 respectively.
7. We have not audited any financial statements of the Company as of any date or for any period till March 31, 2023. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period till March 31, 2023.

Opinion

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:
- a. have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note;
 - b. have been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, and regrouping/reclassifications, retrospectively (as disclosed in Annexure VII to Restated Financial Information) to reflect the same accounting treatment as per the accounting policies as at and for the period ended June 30, 2023; and
 - c. there are no qualifications in the auditors' reports which require any adjustments.
9. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective date of reports on the audited financial statements of the Company mentioned in paragraph 8 above.
10. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report issued by us or other auditors on the financial statements of the Group, or any components included in those financial statements as may be applicable for the reporting period.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Emphasis of Matter

We draw attention to Note No. 26(ii) of Annexure VI to the restated financial statements, which outlines an ongoing product liability dispute between the Company and Zhejiang Sanmei Chemical Industry Co., Ltd. ("Sanmei" / "Supplier"). Management has reassessed the contingent liability related to this claim and, as per Ind AS 37 Provisions, Contingent Liabilities, and Contingent Assets, has recognized a provision for disputed trade payables. This provision reflects the probable outflow of resources required to settle this liability, based on the best available information.

We draw attention to note no. 35 of Annexure VI to the restated financial statements, which describe the acquisition of Stallion Enterprise by the Company pursuant to a slump sale agreement effective September 30, 2023. Following the acquisition, all transactions carried out under Stallion Enterprise from October 1, 2023, to September 30, 2024, were integrated into the Company's financials as part of the consolidated business.

Our opinion is not modified in respect of this matter.

Other Matters

12. a) As indicated in the Independent Auditor's Examination Report on Restated Financial Information referred in paragraph 7 above:
1. The comparative financial information of the Company for the period ended March 31, 2022 and March 31, 2023, are based on the previously issued audited financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards (Ind AS), which have been audited by us.
 2. Accounts for the previous years ended March 31, 2023 and March 31, 2022 under Companies (Accounting Standard) Rules, 2006, were audited by another firm of Chartered Accountants viz. M/S. Doshi Praveen & Co. They have expressed the unmodified opinion on the financial statements for the year ended on March 31, 2023 and March 31, 2022.

Restriction on Use

13. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Red Herring Prospectus (RHP), prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed Initial Public Offering of the equity shares of the Company. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Mittal & Associates
Chartered Accountants
Firm Registration No. 106456W**

**Sd/-
Hemant Bohra
Partner
Membership No.165667
UDIN:
Place : Mumbai
Date : December 06, 2024**

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)
Annexure I - Restated Statement of Assets and Liabilities

(All amounts in Rupees lacs, unless otherwise stated)

I.	ASSETS	Annexure VI Note	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1	Non-current assets					
	(a) Property, Plant and Equipment	1	1,680.71	1,372.34	1,287.60	1,833.57
	(b) Deferred tax assets (net)	12	75.18	74.22	74.61	-
	(c) Income tax assets (net)	13	35.07	313.43	367.59	-
	(d) Other non-current assets	3	-	0.25	0.75	1.25
2	Current assets					
	(a) Inventories	4	10,745.47	9,095.58	4,159.80	4,303.41
	(b) Financial Assets					
	(i) Trade receivables	5	7,634.41	7,103.62	4,239.50	2,847.85
	(ii) Cash and cash equivalents	6	2,218.54	1,613.63	101.20	162.43
	(iii) Bank balances other than (iii) above	7	64.74	93.39	1,427.97	14.11
	(iv) Others Financial Assets	2	3.98	3.98	0.10	0.10
	(c) Other current assets	3	1,110.91	643.58	958.81	637.98
	Total Assets		23,569.01	20,314.01	12,617.92	9,800.69
II.	EQUITY AND LIABILITIES					
	EQUITY					
	(a) Equity Share capital	8	6,146.65	6,146.65	5,512.50	1,225.00
	(b) Other Equity	9	7,306.55	5,649.73	1,557.82	4,868.66
	Total Equity		13,453.20	11,796.39	7,070.32	6,093.66
	LIABILITIES					
1	Non-current liabilities					
	(a) Provisions	11	33.07	30.38	26.60	24.48
	(b) Deferred tax liabilities (Net)	12	-	-	0.00	52.49
2	Current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	10	8,104.75	6,534.54	1,827.42	196.97
	(ii) Trade Payables					
	(A) total outstanding dues of micro enterprises and small enterprises; and	15	1.27	1.29	3.30	11.76
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	15	703.28	372.86	2,380.13	2,882.68
	(b) Other current liabilities	14	185.56	166.96	30.88	53.61
	(c) Provisions	11	1,052.54	1,047.32	1,032.53	3.59
	(d) Current Tax Liabilities (Net)	13	35.34	364.28	246.75	481.45
	Total Liabilities		10,115.81	8,517.63	5,547.60	3,707.03
	Total Equity and Liabilities		23,569.01	20,314.01	12,617.92	9,800.69

The above Restated Statement of Assets and Liabilities should be read in conjunction with Annexure V Basis of Preparation, Significant Accounting Policies, Annexure VI Notes to the Restated Financial Information and Annexure VII Statement of restatement adjustments to audited financial statements.

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

For Mittal & Associates
Chartered Accountants
Firm's Registration: 106456W

For and on behalf of the Board of Directors of
Stallion India Fluorochemicals Limited
(Formerly Known as Stallion India Fluorochemicals Private Limited)
CIN: U51410MH2002PLC137076

Sd/-

Sd/-

Sd/-

Hemant R Bohra
Partner
Membership number: 165667

Shazad Rustomji
Managing Director & CEO
DIN: 01923432

Rohan Shazad Rustomji
Director
DIN: 09312347

Sd/-
Ashish Mehta
Chief Financial Officer

Sd/-
Sarita Khamwani
Company Secretary
M no. A26838

Place: Mumbai

Place: Mumbai

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure II - Restated Statement of Profit and Loss

(All amounts in Rupees lacs, unless otherwise stated)

Sr. no.	Particulars	Annexure VI Note	For the period / year ended			
			September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
I	Income					
	Revenue from operations	16	14,073.15	23,323.58	22,550.44	18,588.27
	Other income	17	80.01	299.05	55.91	45.80
	Total Income (I)		14,153.16	23,622.63	22,606.35	18,634.07
II	Expenses					
	Cost of materials consumed	18	12,370.11	19,467.12	19,557.59	15,141.65
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	19	(1,786.45)	(791.97)	(595.31)	(1,195.24)
	Employee benefits expense	20	84.84	190.92	143.12	130.76
	Finance costs	21	249.17	432.48	108.61	115.01
	Depreciation and amortization expenses	22	57.53	111.06	153.86	178.78
	Other expenses	23	930.89	2,086.07	1,941.05	1,256.02
	Total expenses (II)		11,906.09	21,495.68	21,308.93	15,626.98
III	Restated Profit before tax (I-II)		2,247.06	2,126.94	1,297.42	3,007.09
IV	Tax expense:					
	Current tax	12	591.51	648.62	449.76	881.72
	Deferred tax	12	(0.95)	(0.50)	(127.65)	14.40
	Total tax expense (IV)		590.55	648.12	322.12	896.12
V	Restated Profit for the period / year (III+IV)		1,656.51	1,478.83	975.30	2,110.97
VI	Restated Other Comprehensive Income					
	A (i) Items that will not be reclassified to profits or loss					
	Remeasurements of the defined benefit plans;	28	0.41	0.54	1.91	3.33
	(ii) Income tax relating to items that will not be reclassified to profit or loss	12	(0.10)	(0.16)	(0.56)	(0.97)
VII	Restated Total Comprehensive Income for the period / year (V+VI) Comprising Profit and Other comprehensive Income for the period / year		1,656.82	1,479.21	976.66	2,113.33
VIII	Earnings per equity share					
	(1) Basic	25	2.69	2.54	1.77	3.83
	(2) Diluted	25	2.69	2.54	1.77	3.83

The above Restated Statement of Profit and Loss should be read in conjunction with Annexure V Basis of Preparation, Significant Accounting Policies, Annexure VI Notes to the Restated Financial Information and Annexure VII Statement of restatement adjustments to audited financial statements.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

For Mittal & Associates
Chartered Accountants
Firm's Registration: 106456W

For and on behalf of the Board of Directors of
Stallion India Fluorochemicals Limited
(Formerly Known as Stallion India Fluorochemicals Private Limited)
CIN: U51410MH2002PLC137076

Sd/-
Hemant R Bohra
Partner
Membership number: 165667

Sd/-
Shazad Rustomji
Managing Director & CEO
DIN: 01923432

Sd/-
Rohan Shazad Rustomji
Director
DIN: 09312347

Sd/-
Ashish Mehta
Chief Financial Officer

Sd/-
Sarita Khamwani
Company Secretary
M no. A26838

Place: Mumbai

Place: Mumbai

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure III - Restated Statement of Changes in Equity

(All amounts in Rupees lacs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
As at April 01, 2021	1,225.00
Shares issued during the year	-
As at March 31, 2022	1,225.00
Shares issued during the year	4,287.50
As at March 31, 2023	5,512.50
Shares issued during the year	634.15
As at March 31, 2024	6,146.65
Shares issued during the period	-
As at September 30, 2024	6,146.65

B. Other Equity

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income	
As at April 01, 2021	-	-	2,755.02	0.31	2,755.33
Restated Profit for the year	-	-	2,110.97	-	2,110.97
Restated Other Comprehensive Income	-	-	-	2.36	2.36
Transfer of Reserves	-	-	-	-	-
Issue of Bonus Shares	-	-	-	-	-
As at March 31, 2022	-	-	4,865.99	2.68	4,868.66
Restated Profit for the year	-	-	975.30	-	975.30
Restated Other Comprehensive Income	-	-	-	1.35	1.35
Transfer of Reserves	-	4,287.50	(4,287.50)	-	-
Issue of Bonus Shares	-	(4,287.50)	-	-	(4,287.50)
As at March 31, 2023	-	-	1,553.79	4.03	1,557.82
Restated Profit for the year	-	-	1,478.83	-	1,478.83
Restated Other Comprehensive Income	-	-	-	0.39	0.39
Preferential issue of shares	2,612.70	-	-	-	2,612.70
As at March 31, 2024	2,612.70	-	3,032.62	4.41	5,649.73
Restated Profit for the period	-	-	1,656.51	-	1,656.51
Restated Other Comprehensive Income	-	-	-	0.31	0.31
Preferential issue of shares	-	-	-	-	-
As at September 30, 2024	2,612.70	-	4,689.13	4.72	7,306.55

The above Restated Statement of Changes in Equity should be read in conjunction with Annexure V Basis of Preparation, Significant Accounting Policies, Annexure VI Notes to the Restated Financial Information and Annexure VII Statement of restatement adjustments to audited financial statements.

This is the Restated Statement of Changes in Equity referred to in our report of even date.

For Mittal & Associates
Chartered Accountants
Firm's Registration: 106456W

For and on behalf of the Board of Directors of
Stallion India Fluorochemicals Limited
(Formerly Known as Stallion India Fluorochemicals Private Limited)
CIN: U51410MH2002PLC137076

Sd/-
Hemant R Bohra
Partner
Membership number: 165667

Sd/-
Shazad Rustomji
Managing Director & CEO
DIN: 01923432

Sd/-
Rohan Shazad Rustomji
Director
DIN: 09312347

Sd/-
Ashish Mehta
Chief Financial Officer

Sd/-
Sarita Khamwani
Company Secretary
M no. A26838

Place: Mumbai

Place: Mumbai

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure IV - Restated Statement of Cashflow

(All amounts in Rupees lacs, unless otherwise stated)

Particulars	For the period / year ended			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
A. Cash flows from operating activities				
Profit before tax for the year	2,247.06	2,126.94	1,297.42	3,007.09
Adjustments for:				
Depreciation and amortisation expenses	57.53	111.06	153.86	178.78
(Gain)/Loss on sale of Property Plant and Equipment	-	-	274.39	-
Finance costs	225.13	310.34	72.63	51.10
Interest Income on deposits	(0.11)	(74.81)	(48.30)	(1.70)
Liabilities no longer required written back	-	(107.48)	-	-
Impairment loss on Property, Plant and Equipments	-	-	90.06	-
Remeasurements of the defined benefit plans	0.41	0.54	1.91	3.33
Bad Debt / Advances written off	0.10	48.31	36.28	15.72
Allowances for doubtful debts	100.77	235.61	73.79	(41.41)
Operating cash flow before working capital changes	2,630.89	2,650.52	1,952.03	3,212.90
Movements in working capital:				
(Increase) / Decrease in trade receivables	(631.66)	(3,148.04)	(1,465.44)	6,280.29
Decrease in current and non-current financial assets	-	(3.88)	-	(0.00)
Decrease/(Increase) in other current and non-current assets	(467.08)	315.73	(320.33)	119.97
Increase in inventories	(1,649.90)	(4,935.78)	143.61	(1,054.60)
(Decrease)/Increase in Trade payables	330.41	(1,901.80)	(547.28)	(7,100.17)
Increase in current and non-current liabilities and provisions	26.50	154.65	1,008.32	(28.56)
Cash generated from operations	239.16	(6,868.60)	770.92	1,429.83
Income taxes paid (net)	(642.19)	(476.19)	(1,052.06)	(630.88)
Net cash generated from operating activities	(403.03)	(7,344.79)	(281.14)	798.95
B. Cash flows from investing activities				
Purchase of property, plant and equipment, capital work in progress and intangible assets	(365.90)	(34.17)	(0.80)	(130.39)
Acquisition of property, plant and equipment through slum sale arrangements	-	(161.63)	-	-
Proceeds from disposal of property, plant and equipment	-	-	28.45	(0.02)
Investment / (Maturity) of Fixed Deposits (net)	28.65	1,334.58	(1,413.86)	49.05
Interest received	0.11	74.81	48.30	1.70
Net cash (used in)/ generated from investing activities	(337.14)	1,213.58	(1,337.91)	(79.65)
C. Cash flows from financing activities				
Increase / (Decrease) in Short Term Borrowings (net)	1,570.21	4,707.12	1,630.45	(764.47)
Interest paid on Borrowings	(225.13)	(310.34)	(72.63)	(51.10)
Issue of Share Capital (incl premium for consideration other than cash under Business Transfer arrangement)	-	3,246.86	-	-
Net cash used in financing activities	1,345.08	7,643.64	1,557.82	(815.56)
Net increase in cash and cash equivalents (A+B+C)	604.91	1,512.43	(61.23)	(96.27)
Cash and cash equivalents at the beginning of the period / year	1,613.63	101.20	162.43	258.70
Cash and cash equivalents at the end of the period / year	2,218.54	1,613.63	101.20	162.43

The above Restated Statement of Cashflow should be read in conjunction with Annexure V Basis of Preparation, Significant Accounting Policies, Annexure VI Notes to the Restated Financial Information and Annexure VII Statement of restatement adjustments to audited financial statements.

This is the Restated Statement of Changes in Cashflow referred to in our report of even date.

For Mittal & Associates
Chartered Accountants
Firm's Registration: 106456W

For and on behalf of the Board of Directors of
Stallion India Fluorochemicals Limited
(Formerly Known as Stallion India Fluorochemicals Private Limited)
CIN: U51410MH2002PLC137076

Sd/-
Hemant R Bohra
Partner
Membership number: 165667

Sd/-
Shazad Rustomji
Managing Director & CEO
DIN: 01923432

Sd/-
Rohan Shazad Rustomji
Director
DIN: 09312347

Sd/-
Ashish Mehta
Chief Financial Officer

Sd/-
Sarita Khamwani
Company Secretary
M no. A26838

Place: Mumbai

Place: Mumbai

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

Notes to Restated Financial Information

Annexure V Basis of Preparation, Significant Accounting Policies

I. COMPANY OVERVIEW

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited) (“the Company”) is a public company having Corporate Identity Number U51410MH2002PLC137076. The Company is primarily engaged in the business of manufacture of industrial gases.

The Company is incorporated and domiciled in India under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad (West), Mumbai 400064.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the annual general meeting of the shareholders of the Company held on August 07, 2023 and consequently the name of the Company has changed to Stallion India Fluorochemicals Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on October 05, 2023.

The Company’s restated financial information for the period ended September 30, 2024, and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 were authorized by Board of Directors on November __, 2024.

II. BASIS OF PREPARATION OF RESTATED FINANCIAL STATEMENTS

“The restated financial statements of the Company comprises of the Balance Sheet as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the statement of profit and loss (including other comprehensive income), the statement of cash flows, the statement of changes in equity for the period ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the significant accounting policies and explanatory notes (collectively, the ‘financial statements’ or ‘statements’).

The accounting policies have been consistently applied by the Company in the preparation of the financial statements. These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective as at September 30, 2024.

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements. For all periods up to and including the year ended March 31, 2023, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at April 1, 2023 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 “First-time adoption of Indian Accounting Standards”. The transition was carried out from accounting principles generally accepted in India (“Indian GAAP”) which is considered as the previous GAAP, as defined in IND AS 101.

These financial statements have been prepared and presented under the historical cost convention with the following exceptions:-

- certain financial assets and liabilities
- defined benefit plans – plan assets measured at fair value
- share-based payments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

Notes to Restated Financial Information

Annexure V Basis of Preparation, Significant Accounting Policies

III. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

A) Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

B) Use of estimates and critical accounting judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

C) Current - Non-current classification

All assets and liabilities are classified into current and non-current assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

Notes to Restated Financial Information

Annexure V Basis of Preparation, Significant Accounting Policies

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities:

D) Revenue recognition

i. Sale of Products

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring control of promised good to a customer. Performance obligation in respect of sale of product is satisfied at a point in time which usually occurs upon receipt of goods by the customer. At that point, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

ii. Sale of Services

In respect of sale of services, performance obligation is satisfied over time when the entity renders services to customers. Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

iii. Interest & Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

iv. Other Income

Other Incomes are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

Notes to Restated Financial Information

Annexure V Basis of Preparation, Significant Accounting Policies

E) Property, Plant and equipment

Freehold Land is carried at historical cost. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation or accumulated impairment loss, if any.

Cost of item of property, plant and equipment includes purchase price, taxes, non-refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Expenses capitalised include applicable borrowing costs for qualifying assets, if any.

This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of Property, Plant & Equipment is reviewed at each financial year and adjusted prospectively, if any.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be for more than once accounting period are capitalized.

Property, Plant and Equipment under construction are recognized as capital work in progress.

F) Goodwill and other Intangible assets

Goodwill arising on acquisition of business is measured at cost less any accumulated impairment loss. Goodwill is assessed at every balance sheet date for any impairment.

Intangible assets are only recognized when it is probable that associated future economic benefits would flow to the Company.

Intangibles in respect of non-compete and customer relationships acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at costs less accumulated amortization and accumulated impairment losses, if any.

Intangible assets in respect of software's acquired separately are measured on initial recognition at cost. Following initial recognition, they are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are derecognised either on their disposal or where no future economic benefits are expected from their use.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

Notes to Restated Financial Information

Annexure V Basis of Preparation, Significant Accounting Policies

G) Depreciation of Property, Plant and Equipment

Depreciation is computed as per the written-down value method based on the management's estimate of useful life of a property, plant and equipment. Land is not depreciated but subject to impairment.

These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

The following useful lives apply to the different types of tangible assets:

Asset	Years
Building	3 to 30
Plant and Equipment	2 to 25
Furniture and Fixture	3 to 10
Vehicles	5 to 10
Office Equipment	2 to 10

Assets individually costing Rs. 25,000 or less are fully depreciated in the year of acquisition.

Spares capitalized are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets, based on the technical evaluation and assessment, the Company believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use.

Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule.

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

H) Amortisation of Intangible assets

Intangible assets except Goodwill are amortised in Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on written-down value basis.

The estimated useful lives of Intangible Assets are as follows:

Asset	Years
Software	6
Non-compete fee	15
Customer Relationship	25

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

I) Impairment of non-financial assets

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Annexure V Basis of Preparation, Significant Accounting Policies

The carrying amounts of property, plant & equipment, capital work in progress and intangible assets are reviewed at each Balance Sheet date, to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of that event.

J) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

K) Inventories

Inventories of raw materials, components and stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, First-in-First-out (FIFO) method is used. The carrying costs of raw materials, components and stores and spare parts are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods are valued at the lower of cost and net realizable value. The comparison of cost and net realisable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities. Cost is determined on a first-in first-out (FIFO) basis.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

L) Leases

The Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts.

Company as a lessee

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Annexure V Basis of Preparation, Significant Accounting Policies

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined.

If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is remeasured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as lessor

In respect of assets given on operating lease, the lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

M) Employee benefits

The Company's obligation towards various employee benefits have been recognized as follows:

Short term benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees. The company recognizes a liability & expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Post-employment Benefits

Defined contribution plans

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Notes to Restated Financial Information

Annexure V Basis of Preparation, Significant Accounting Policies

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

Recognition and measurement of defined benefit plans:

For defined benefit schemes i.e. gratuity, superannuation and post-retirement medical benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. Such re-measurements are not re-classified to the Statement of Profit & Loss in the subsequent period. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

Other long-term employee benefits

Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each year end balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation.

Termination Benefits

Termination Benefits, in the nature of voluntary retirement benefits or Termination Benefits arising from restructuring, are recognized in the Statement of Profit & Loss. The Company recognizes Termination Benefits at the earlier of the following dates:

- (a) when the Company can no longer withdraw the offer of these benefits, or
- (b) when the Company recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Employee Stock Option Plans

Stallion India Fluorochemicals Limited (formerly known as Stallion India Fluorochemicals Private Limited)

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Annexure V Basis of Preparation, Significant Accounting Policies

Employee stock options have time and performance based vesting conditions. The fair value as on grant date factoring such time and performance conditions is recognized as employee benefit expense over the vesting period of such options

N) Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are translated at the year-end foreign exchange rates. Non-Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in other comprehensive income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

O) Provisions, contingent liabilities, and contingent assets

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation.

When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

P) Income taxes

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year.

Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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Annexure V Basis of Preparation, Significant Accounting Policies

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction and there is an intention to settle the asset & liability on a net basis.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case tax is also recognized in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

R) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

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Annexure V Basis of Preparation, Significant Accounting Policies

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at Transaction price.

(a) Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ii. Financial assets measured at fair value

Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned while holding a FVTOCI instrument is reported as interest income using the effective interest rate method.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through the statement of profit and loss (FVTPL)

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Fair value changes are recognized in the Statement of Profit & Loss at each reporting period.

iii. Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in

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Annexure V Basis of Preparation, Significant Accounting Policies

value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

iv. Impairment of financial assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss.

The Company recognises life time expected credit losses for all trade receivables and unbilled revenues that do not constitute a financing transaction. For all other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The Impairment losses and reversals are recognized in the Statement of Profit & Loss.

v. De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received. On de-recognition of a Financial Asset (except for Financial Assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit & Loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

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The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit & Loss.

Derivative financial instruments and hedge accounting

The Company enters into forward contracts and principal and interest swap contracts to hedge its risks associated with foreign currency and variable interest rate fluctuations related to existing financial assets and liabilities, certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedge.

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward and interest rate contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognized immediately in the statement of profit and loss. The effective portion is recognized in Other Comprehensive Income.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer

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expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

S) Investment in Joint Ventures & associates

A joint venture is a joint arrangement whereby the parties have the joint control of the arrangement and have rights to the net assets to joint arrangement. Joint control is contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activity require unanimous consent of the parties sharing control. Investment in joint ventures are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

An associate is an entity over which the investor has significant influence. Investment in associates are carried at fair value through Profit & Loss.

T) Onerous contracts

A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

U) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

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Annexure V Basis of Preparation, Significant Accounting Policies

V) Business Combinations

Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for noncontrolling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

W) Segment Reporting

Operating Segments are reported in a manner consistent with the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance based on product and services.

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Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

1 Property, Plant and Equipments

	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Total Tangible Assets	Capital work in progress	Total tangible assets including capital work progress
Cost or valuation									
As at April 01, 2021	404.88	535.77	1,004.42	24.70	46.12	3.03	2,018.92	-	2,018.92
Additions	-	110.38	18.60	-	-	1.41	130.39	-	130.39
Disposals	-	-	-	-	-	-	-	-	-
Asset capitalised during the year	-	-	-	-	-	-	-	-	-
As at March 31, 2022	404.88	646.15	1,023.02	24.70	46.12	4.44	2,149.31	-	2,149.31
Additions	-	-	-	0.80	-	-	0.80	-	0.80
Disposals	-	-	(427.24)	(0.33)	(0.20)	(0.40)	(428.17)	-	(428.17)
Asset capitalised during the year	-	-	-	-	-	-	-	-	-
As at March 31, 2023	404.88	646.15	595.78	25.16	45.92	4.05	1,721.94	-	1,721.94
Additions	29.43	-	1.41	-	-	3.33	34.17	-	34.17
Acquisition through business combination	-	-	142.28	16.11	-	3.25	161.63	-	161.63
Disposals	-	-	-	-	-	-	-	-	-
Asset capitalised during the year	-	-	-	-	-	-	-	-	-
As at March 31, 2024	434.31	646.15	739.47	41.27	45.92	10.62	1,917.74	-	1,917.74
Additions	277.81	-	85.54	2.55	-	-	365.90	-	365.90
Disposals	-	-	-	-	-	-	-	-	-
Asset capitalised during the year	-	-	-	-	-	-	-	-	-
As at September 30, 2024	712.12	646.15	825.01	43.82	45.92	10.62	2,283.64	-	2,283.64
Depreciation and impairment									
As at March 31, 2022	-	88.59	197.43	10.03	17.35	2.34	315.74	-	315.74
Depreciation charge for the year	-	51.35	89.01	4.09	8.18	1.23	153.86	-	153.86
Impairment	-	90.06	-	-	-	-	90.06	-	90.06
Disposals	-	-	(125.09)	(0.08)	(0.12)	(0.04)	(125.33)	-	(125.33)
As at March 31, 2023	-	230.01	161.35	14.04	25.41	3.53	434.34	-	434.34
Depreciation charge for the year	-	39.85	58.71	5.58	5.10	1.82	111.06	-	111.06
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	269.86	220.06	19.62	30.50	5.35	545.40	-	545.40
Depreciation charge for the year	-	18.26	32.71	3.56	1.93	1.07	57.53	-	57.53
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at September 30, 2024	-	288.12	252.77	23.18	32.44	6.42	602.93	-	602.93
Carrying Value									
As at March 31, 2022	404.88	557.55	825.60	14.66	28.77	2.10	1,833.57	-	1,833.57
As at March 31, 2023	404.88	416.14	434.43	11.12	20.51	0.52	1,287.60	-	1,287.60
As at March 31, 2024	434.31	376.29	519.42	21.65	15.41	5.27	1,372.34	-	1,372.34
As at September 30, 2024	712.12	358.03	572.24	20.64	13.48	4.20	1,680.71	-	1,680.71

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

2 Other Financial Assets

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<i>Current</i>				
Unsecured, considered good unless otherwise stated				
Tendor deposits	0.65	0.65	0.10	0.10
Security deposits	3.33	3.33	-	-
	3.98	3.98	0.10	0.10

3 Other Assets

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated				
<i>Non-Current</i>				
Prepaid expenses	-	0.25	0.75	1.25
	-	0.25	0.75	1.25
<i>Current</i>				
Capital advances	-	-	-	-
Advances for supplies/ services	803.43	455.12	558.06	181.59
Advance with public bodies and tax authorities	301.91	163.42	394.14	454.33
Prepaid expenses	5.42	23.83	6.60	0.50
Advance to employees	0.15	1.20	-	1.55
	1,110.91	643.58	958.81	637.98

4 Inventories

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Raw materials	2,195.25	2,331.81	1,884.14	2,623.06
Finished goods	8,550.22	6,763.77	2,275.66	1,680.36
	10,745.47	9,095.58	4,159.80	4,303.41

Note: The Company has, with effect from September 30, 2023, acquired control over Stallion Enterprise, a proprietary concern owned by Mr. Shazad Rustomji, under slum sale through business transfer agreement dated September 30, 2023. This arrangement includes INR 3,834.26 lacs transfer of inventories which is part of above.

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

5 Trade Receivables

	As at September 30, 2024 Current	As at March 31, 2024 Current	As at March 31, 2023 Current	As at March 31, 2022 Current
Trade receivables from contract with customer - billed	8,085.34	7,453.78	4,354.05	2,888.61
Less : Loss allowance	(450.93)	(350.16)	(114.55)	(40.76)
Total receivables	7,634.41	7,103.62	4,239.50	2,847.85
Break up of security details				
Unsecured, considered good	8,085.34	7,453.78	4,354.05	2,888.61
Less: Allowance for credit losses	(450.93)	(350.16)	(114.55)	(40.76)
	7,634.41	7,103.62	4,239.50	2,847.85

The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables. For this purpose, the Company follows a "simplified approach" for recognition of impairment loss allowance on the trade receivable balances. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forwardlooking estimates. Further, need for incremental provisions have been evaluated on a case to case basis considering forward-looking information based on the financial health of a customer if available, litigations/ disputes etc.

a) Ageing of trade receivables as at September 30, 2024

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
<u>Undisputed trade receivables</u> considered good - unsecured	6,327.45	1,026.16	480.71	153.55	97.47	8,085.34
	6,327.45	1,026.16	480.71	153.55	97.47	8,085.34

Ageing of trade receivables as at March 31, 2024

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
<u>Undisputed trade receivables</u> considered good - unsecured	6,711.60	266.46	343.42	118.15	14.15	7,453.78
	6,711.60	266.46	343.42	118.15	14.15	7,453.78

Ageing of trade receivables as at March 31, 2023

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
<u>Undisputed trade receivables</u> considered good - unsecured	4,078.48	142.12	117.99	10.52	4.93	4,354.05
	4,078.48	142.12	117.99	10.52	4.93	4,354.05

Ageing of trade receivables as at March 31, 2022

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
<u>Undisputed trade receivables</u> considered good - unsecured	2,662.92	206.80	13.28	0.93	4.68	2,888.61
	2,662.92	206.80	13.28	0.93	4.68	2,888.61

b) Loss allowances as at September 30, 2024

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed - considered good	6,327.45	1,026.16	480.71	153.55	97.47	8,085.34
	6,327.45	1,026.16	480.71	153.55	97.47	8,085.34
Expected Loss rate (%)	1%	1%	46%	46%	100%	6%
Expected Credit Losses	55.14	6.00	222.40	69.92	97.47	450.93
Carrying amount Trade receivables (net of impairments)	6,272.30	1,020.17	258.31	83.63	-	7,634.41

Loss allowances as at March 31, 2024

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed - considered good	6,711.60	266.46	343.42	118.15	14.15	7,453.78
	6,711.60	266.46	343.42	118.15	14.15	7,453.78
Expected Loss rate (%)	1%	1%	50%	80%	100%	5%
Expected Credit Losses	67.12	2.66	171.71	94.52	14.15	350.16
Carrying amount Trade receivables (net of impairments)	6,644.48	263.79	171.71	23.63	-	7,103.62

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

5 Trade Receivables

Loss allowances as at March 31, 2023

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed – considered good	4,078.48	142.12	117.99	10.52	4.93	4,354.05
	4,078.48	142.12	117.99	10.52	4.93	4,354.05
Expected Loss rate (%)	1%	1%	50%	80%	100%	3%
Expected Credit Losses	40.78	1.42	58.99	8.42	4.93	114.55
Carrying amount Trade receivables (net of impairments)	4,037.70	140.70	58.99	2.10	-	4,239.50

Loss allowances as at March 31, 2022

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed – considered good	2,662.92	206.80	13.28	0.93	4.68	2,888.61
	2,662.92	206.80	13.28	0.93	4.68	2,888.61
Expected Loss rate (%)	1%	1%	50%	80%	100%	1%
Expected Credit Losses	26.63	2.07	6.64	0.75	4.68	40.76
Carrying amount Trade receivables (net of impairments)	2,636.29	204.73	6.64	0.19	-	2,847.85

c) Movements in allowance for expected credit losses of receivables is as below:

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	350.16	114.55	40.76	82.18
Allowances made during the year	100.77	235.61	73.79	-
Release to statement of profit and loss	-	-	-	(41.41)
Balance at the end of the year	450.93	350.16	114.55	40.76

d) There is no outstanding debts due from directors or other officers of the Company.

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)**Annexure VI - Notes to the Restated financial information**

(All amounts in Rupees lacs, unless otherwise stated)

6 Cash and cash equivalents

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.72	1.59	2.19	2.29
Balances with banks				
In Current account	2,217.82	1,612.05	99.01	160.14
	2,218.54	1,613.63	101.20	162.43

7 Other balances with bank

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
In Deposit accounts				
Original maturity more than 3 months	64.74	93.39	1,427.97	14.11
	64.74	93.39	1,427.97	14.11

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

8 Equity Share Capital

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Authorised shares				
Equity shares	13,000.00	13,000.00	6,000.00	1,400.00
[September 30, 2024 - 130,000,000 shares of Rs.10 each March 31, 2024 - 130,000,000 shares of Rs.10 each March 31, 2023 - 60,000,000 shares of Rs.10 each March 31, 2022 - 14,000,000 shares of Rs.10 each]				
	13,000.00	13,000.00	6,000.00	1,400.00
Issued, subscribed and fully paid-up shares				
Equity shares	6,146.65	6,146.65	5,512.50	1,225.00
[September 30, 2024 - 61,466,514 shares of Rs.10 each March 31, 2024 - 61,466,514 shares of Rs.10 each March 31, 2023 - 55,125,000 shares of Rs.10 each March 31, 2022 - 12,250,000 shares of Rs.10 each]				
Total issued, subscribed and fully paid-up share capital	6,146.65	6,146.65	5,512.50	1,225.00

a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
<i>Equity shares</i>								
At the beginning of the year	61,466,514	6,146.65	55,125,000	5,512.50	12,250,000	1,225.00	12,250,000	1,225.00
Bonus shares issued	-	-	-	-	42,875,000	4,287.50	-	-
Shares issued for consideration other than cash	-	-	6,341,514	634.15	-	-	-	-
Outstanding at the end of the year	61,466,514	6,146.65	61,466,514	6,146.65	55,125,000	5,512.50	12,250,000	1,225.00

Note:

1. FY2022-23: The Company has issued Bonus Equity Shares in the ratio of 7 : 2 at par of INR 10.00 each ranking pari pasu with the existing shares.
2. 6,341,514 equity shares were issued during the year ended March 31, 2024, consequent of business combination to and as part of the slum sale business transfer arrangement.

b) Terms/ rights attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Details of shareholders holding more than 5% shares in the Company

	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No of Shares	Holding percentage	No of Shares	Holding percentage	No of Shares	Holding percentage	No of Shares	Holding percentage
<i>Equity shares of Rs.10 each fully paid up</i>								
Shazad Sheriar Rustomji	58,145,864	94.60%	58,145,864	94.60%	55,104,750	99.96%	12,245,500	99.96%
Geetu Yadav	3,300,100	5.37%	3,300,100	5.37%	-	0.00%	-	0.00%

Note : As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

8 Equity Share Capital

d) Details of Shares held by promoters

As at September 30, 2024

Promoter name	No. of shares at the beginning of year	Change during the year	No. of shares at the end of year	% of total shares	% Change during the year
Equity shares of Rs.10 each fully paid up					
<i>Promoter</i>					
Mr. Shazad Sheriar Rustomji	58,145,864	-	58,145,864	94.60%	0.00%
Mrs. Manisha Shazad Rustomji	15,750	-	15,750	0.03%	0.00%
Mr. Rohan Shazad Rustomji	4,500	-	4,500	0.01%	0.00%
Total	58,166,114	-	58,166,114	94.63%	0.00%

As at March 31, 2024

Promoter name	No. of shares at the beginning of year	Change during the year	No. of shares at the end of year	% of total shares	% Change during the year
Equity shares of Rs.10 each fully paid up					
<i>Promoter</i>					
Mr. Shazad Sheriar Rustomji	55,104,750	3,041,114	58,145,864	94.60%	5.52%
Mrs. Manisha Shazad Rustomji	15,750	-	15,750	0.03%	0.00%
Mr. Rohan Shazad Rustomji	4,500	-	4,500	0.01%	0.00%
Total	55,125,000	3,041,114	58,166,114	94.63%	5.52%

As at March 31, 2023

Promoter name	No. of shares at the beginning of year	Change during the year	No. of shares at the end of year	% of total shares	% Change during the year
Equity shares of Rs.10 each fully paid up					
<i>Promoter</i>					
Mr. Shazad Sheriar Rustomji	12,245,500	42,859,250	55,104,750	99.96%	350.00%
Mrs. Manisha Shazad Rustomji	3,500	12,250	15,750	0.03%	350.00%
Mr. Rohan Shazad Rustomji	1,000	3,500	4,500	0.01%	350.00%
Total	12,250,000	42,875,000	55,125,000	100.00%	350.00%

As at March 31, 2022

Promoter name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% of total shares	% Change during the year
Equity shares of Rs.10 each fully paid up					
<i>Promoter</i>					
Mr. Shazad Sheriar Rustomji	12,245,500	-	12,245,500	99.96%	0.00%
Mrs. Manisha Shazad Rustomji	3,500	-	3,500	0.03%	0.00%
Mr. Rohan Shazad Rustomji	1,000	-	1,000	0.01%	0.00%
Total	12,250,000	-	12,250,000	100.00%	0.00%

e) Equity shares allotted as fully paid-up (during 5 years preceding ending September 30, 2024) pursuant to contracts without payment being received in cash.

During the year ended March 31, 2024, the Company has acquired Stallion Enterprise, a proprietary concern owned by Mr. Shazad Rustomji, under slum sale through business transfer agreement dated September 30, 2023. This transaction was approved by the Shareholder of the Company on September 28, 2023 and was consummated on September 30, 2023 through preferential issue of 6,341,514 equity shares of the Company to Mr. Shazad Rustomji at a price of INR 51.20 per equity share. Accordingly, the Equity Share capital and Securities Premium has been credited with INR 664.20 lacs and INR 2,736.50 lacs respectively on the settlement of the purchase consideration. The effect of the said transaction is reflected in the Statement of Changes in Equity.

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

9 Other Equity

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Securities Premium	2,612.70	2,612.70	-	-
Retained Earnings	4,689.13	3,032.62	1,553.79	4,865.99
Other comprehensive income	4.72	4.41	4.03	2.68
	7,306.55	5,649.73	1,557.82	4,868.66

a) Movement in other equity

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income	
As at April 01, 2021	-	-	2,755.02	0.31	2,755.33
Restated Profit for the period / year	-	-	2,110.97	-	2,110.97
Restated Other Comprehensive Income (net of taxes)	-	-	-	2.36	2.36
As at March 31, 2022	-	-	4,865.99	2.68	4,868.66
Restated Profit for the period / year	-	-	975.30	-	975.30
Restated Other Comprehensive Income (net of taxes)	-	-	-	1.35	1.35
Transfer of Reserves	-	4,287.50	(4,287.50)	-	-
Issue of Bonus Shares	-	(4,287.50)	-	-	(4,287.50)
As at March 31, 2023	-	-	1,553.79	4.03	1,557.82
Restated Profit for the period / year	-	-	1,478.83	-	1,478.83
Restated Other Comprehensive Income (net of taxes)	-	-	-	0.39	0.39
Preferential Issue of shares	2,612.70	-	-	-	2,612.70
As at March 31, 2024	2,612.70	-	3,032.62	4.41	5,649.73
Restated Profit for the period / year	-	-	1,656.51	-	1,656.51
Restated Other Comprehensive Income (net of taxes)	-	-	-	0.31	0.31
As at September 30, 2024	2,612.70	-	4,689.13	4.72	7,306.55

b) Nature and purpose of reserves

(i) *Securities Premium*

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(ii) *General Reserve*

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

(iii) *Retained Earnings*

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(iv) *Other Comprehensive Income*

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of items measured at fair value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed off.

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VI - Notes to the Restated financial information

(All amounts in Rupees lacs, unless otherwise stated)

10 Borrowings

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current				
Secured loans				
Cash credit from banks	5,983.23	3,947.42	1,827.42	196.97
Overdraft against Fixed Deposit	1,141.88	1,098.14	-	-
Unsecured loans				
From Directors	979.64	1,488.98	0.00	0.00
Total current borrowings	8,104.75	6,534.54	1,827.42	196.97

a) Current borrowings

(i) Secured loans

The Company has availed secured fund based working capital facilities from ICICI Bank Ltd. of INR 6,000.00 lacs. Additionally, the Company has also acquired outstanding overdraft facility pursuant slum sale arrangement dated September 30, 2023 entered with Mr. Shazad Rustomji.

Details of outstanding borrowing facilities are as below:

Particulars	Sanction Limit	Security details
Cash Credit Facility	6,000.00	Exclusive charge on immovable Fixed Assets owned by Mr. Shazad Rustomji: Unit No. 2 And 3 Of Wing A, 7, 9 And 10 Of Wing B,,Knox Plaza, ,Mindsae Malad West Off Chincholi Bunder Road Vivette Banquest Mumbai Maharashtra India Mumbai 400064.
Effective Interest rate		Unit No 104,105,106,Knox Plaza, ,MindSPACE, Vivette Banquest, Off Chincholi Bunder Road, Malad West Mumbai India 400064.
Repo Rate + 2.25%		Unit No. 11 And 12, B Wing, Ground Floor, ,Knox Plaza, ,MindSPACE, Vivette Banquest, Off Chincholi Bunder Road, Malad West Mumbai 400064
Reset after every 3 months		Exclusive charge on immovable fixed assets owned by the Company: Survey No 11 Village Lophap post Washivali Taluka Khalapur Near Lohap Bus stand Raigad Maharashtra India Raigad 410203
Repayment terms		Pari pasu hypothecation charge on all existing and future current assets.
Repayable on demand		Personal Guarantee of Mr. Shahzad Rustomji, Director of the Company.
Overdraft against Fixed Deposit (refer note below)	1,120.00	Facility is 100% secured against term deposit of Mr. Shazad Rustomji.
Effective Interest rate		
Fixed Deposit Interest Rate + 1.00%		
Repayment terms		
Repayable on demand		

Note: Pursuant INR 1,120.00 lacs borrowing facility has been acquired consequent of business combination to and as part of the slum sale business transfer arrangement.

(ii) Unsecured Loans

The Company has taken loan from the Director is unsecured, interest free and is payable on demand.

11 Provisions

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Non-Current				
Provision for employee benefits				
Retirement benefits obligations				
Gratuity (refer note 28)	33.07	30.38	26.60	24.48
	33.07	30.38	26.60	24.48
Current				
Provision for employee benefits				
Retirement benefits obligations				
Gratuity (refer note 28)	4.10	4.07	3.75	3.59
Provision for Disputed Trade Payable (refer note 26)	1,048.44	1,043.25	1,028.77	-
	1,052.54	1,047.32	1,032.53	3.59

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(All amounts in Rupees lacs, unless otherwise stated)

12 Income tax

a) Tax expenses

The major components of income tax expense for the year ended:

Statement of profit and loss:

Profit or loss section

	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax:				
Current income tax charge	591.51	648.62	449.76	881.72
Adjustment of tax relating to earlier periods	-	-	-	-
	591.51	648.62	449.76	881.72
Deferred tax:				
Relating to origination and reversal of temporary differences	(0.95)	(0.50)	(127.65)	14.40
	(0.95)	(0.50)	(127.65)	14.40
Income tax expense reported in the statement of profit or loss	590.55	648.12	322.12	896.12

OCI section

Deferred tax related to items recognised in OCI during the year:

	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net loss/(gain) on remeasurements of defined benefit plans	(0.10)	(0.16)	(0.56)	(0.97)
Income tax charge to OCI	(0.10)	(0.16)	(0.56)	(0.97)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for:

	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit before income tax net total income	2,247.06	2,126.94	1,297.42	3,007.09
Tax on accounting profit at statutory income tax rate [September 30, 2024: 25.17% [March 31, 2024: 25.17% March 31, 2023: 25.17% March 31, 2022: 29.12%]	565.59	535.35	326.56	875.66
Adjustment of tax relating to earlier periods	(68.62)	-	-	-
Income Exempt from Tax/Items not deductible	30.40	113.27	123.20	6.06
Deferred tax on other adjustments Relating to origination and reversal of temporary differences	(0.95)	(0.50)	(127.65)	14.40
At the effective income tax rate [September 30, 2024: 25.58% March 31, 2024: 28.41% March 31, 2023: 30.17% March 31, 2022: 29.80%]	526.41	648.12	322.12	896.12
Tax expense reported in the Statement of profit or loss	590.55	648.12	322.12	896.12

b) Deferred tax

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities				
Difference between carrying amounts of property, plant and equipment & investment property in restated financial statement and the income tax return On account of remeasurements of defined benefit plans	47.67	22.59	-	72.54
Gross deferred tax liabilities	47.67	22.59	-	72.54
Deferred tax assets				
On account of provision for gratuity & leave encashment	9.35	8.67	8.84	8.18
On account of impairment loss on property, plant and equipment	-	-	32.41	-
On account of other adjustments	113.50	87.41	33.36	11.87
Gross deferred tax assets	122.85	96.08	74.61	20.05

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Net deferred tax liabilities	-	-	0.00	52.49
Net deferred tax assets	75.18	74.22	74.61	-

Reconciliation of deferred tax liabilities / (deferred tax assets) (net):

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(74.22)	(74.61)	52.49	37.12
Tax income/(expense) during the year recognised in profit or loss	(0.86)	0.54	(126.54)	16.34
Tax income/(expense) during the year recognised in OCI	(0.10)	(0.16)	(0.56)	(0.97)
Closing balance	(75.18)	(74.22)	(74.61)	52.49

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

13 Income tax assets / Current Tax liabilities (net)

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Income taxes assets				
[Net of provision				
September 30, 2024 INR 363.99 lacs	35.07	313.43	367.59	-
March 31, 2023 INR 376.26 lacs				
March 31, 2023 INR 596.85 lacs				
March 31, 2022 INR 460.32 lacs]				
	35.07	313.43	367.59	-
Provision for Income Taxes				
[Net of Advance tax of				
September 30, 2024 INR 639.27 lacs	35.34	364.28	246.75	481.45
March 31, 2024 INR 376.26 lacs				
March 31, 2023 INR 596.85 lacs				
March 31, 2022 INR 472.41 lacs]				
	35.34	364.28	246.75	481.45

14 Other liabilities

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Advances received from customers	185.19	165.88	25.81	43.16
Statutory dues (includes Provident				
Fund, Professional Tax, Tax deducted at	0.36	1.08	5.08	10.45
Source, Goods and Services Tax, etc.)				
	185.56	166.96	30.88	53.61

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(All amounts in Rupees lacs, unless otherwise stated)

15 Trade payables

	As at September 30, 2024 Current	As at March 31, 2024 Current	As at March 31, 2023 Current	As at March 31, 2022 Current
Creditors for supplies and services				
Dues to micro and small enterprises	1.27	1.29	3.30	11.76
Others	703.28	372.86	2,380.13	2,882.68
	704.55	374.15	2,383.43	2,894.44

a) Ageing of trade payables as at September 30, 2024

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade payables					
Micro enterprises and small enterprises	1.27	-	-	-	1.27
Others	703.28	-	-	-	703.28
	704.55	-	-	-	704.55

b) Ageing of trade payables as at March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade payables					
Micro enterprises and small enterprises	1.29	-	-	-	1.29
Others	372.86	-	-	-	372.86
	374.15	-	-	-	374.15

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(All amounts in Rupees lacs, unless otherwise stated)

c) Ageing of trade payables as at March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade payables					
Micro enterprises and small enterprises	3.30	-	-	-	3.30
Others	2,333.64	-	2.89	43.60	2,380.13
	2,336.94	-	2.89	43.60	2,383.43

d) Ageing of trade payables as at March 31, 2022

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade payables					
Micro enterprises and small enterprises	0.36	0.27	-	-	0.63
Others	2,549.51	344.25	0.06	-	2,893.81
	2,549.86	344.51	0.06	-	2,894.44

The information as required under Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by Auditors, is as follows:-

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a) Principal amount remaining unpaid to any supplier as at the end of the accounting	1.27	1.29	3.30	11.76
b) Interest due thereon remaining unpaid to any supplier as at the end of the	Nil	Nil	Nil	Nil
c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil	Nil	Nil
d) The amount of interest due and payable for the year	Nil	Nil	Nil	Nil
e) The amount of interest accrued and remaining unpaid at the end of the accounting	Nil	Nil	Nil	Nil
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil	Nil	Nil

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(All amounts in Rupees lacs, unless otherwise stated)

16 Revenue from Operations

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Gases & related products	14,067.27	23,316.30	22,538.14	18,557.95
Other operating income	5.87	7.28	12.30	30.32
	14,073.15	23,323.58	22,550.44	18,588.27

Note: Effect of transactions post closing date of slum sale arrangement refer note 35.

17 Other Income

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Gain on foreign exchange transactions & translations(Net)	72.07	-	-	-
Profit on disposal of property, plant and equipment (Net)	-	-	0.01	-
Liabilities no longer required written back	-	107.48	-	2.68
Reversal of allowances for doubtful debts	-	-	-	41.41
Recovery of Bad Debt	7.83	85.38	-	-
Interest income on deposits	0.11	74.81	48.30	1.70
Miscellaneous income	0.00	31.38	7.60	-
	80.01	299.05	55.91	45.80

Note: Effect of transactions post closing date of slum sale arrangement refer note 35.

18 Cost of material consumed

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of materials at the beginning of the year	2,331.81	1,884.14	2,623.06	2,763.70
Purchases	12,233.56	19,914.79	18,818.67	15,001.01
Less : Inventory of materials at the end of the year	2,195.25	2,331.81	1,884.14	2,623.06
	12,370.11	19,467.12	19,557.59	15,141.65

Note:

1. The Company has, with effect from September 30, 2023, acquired control over Stallion Enterprise, a proprietary concern owned by Mr. Shazad Rustomji, under slum sale through business transfer agreement dated September 30, 2023. This arrangement includes INR 138.12 lacs transfer of inventories which is part of above purchases.

2. Effect of transactions post closing date of slum sale arrangement refer note 35.

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(All amounts in Rupees lacs, unless otherwise stated)

19 Changes in inventories of finished goods

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year				
Finished goods	6,763.77	2,275.66	1,680.36	485.11
Add: Inventories of finished goods added pursuant to slum sale arrangement (refer note below)	-	3,696.14	-	-
Less: Inventories at the closing of the year				
Finished goods	8,550.22	6,763.77	2,275.66	1,680.36
	(1,786.45)	(791.97)	(595.31)	(1,195.24)

Note: The Company has, with effect from September 30, 2023, acquired control over Stallion Enterprise, a proprietary concern owned by Mr. Shazad Rustomji, under slum sale through business transfer agreement dated September 30, 2023. This arrangement includes INR 3,696.14 lacs transfer of inventories which is part of above.

20 Employee benefit expenses

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages, including bonus	74.76	163.48	131.58	119.81
Contribution to provident and other funds*	3.80	8.30	5.62	5.85
Workmen and staff welfare expenses	6.28	19.14	5.92	5.11
	84.84	190.92	143.12	130.76

*Includes contribution to Provident fund, NPS, Gratuity & Pension funds

Details of remuneration of key managerial personnel as below:

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Short term employee benefits	44.82	81.46	72.60	59.00
	44.82	81.46	72.60	59.00

The remuneration to key managerial personnel does not include provisions made for gratuity as they are determined on an actuarial basis for the Company as a whole.

Note: Effect of transactions post closing date of slum sale arrangement refer note 35.

21 Finance Cost

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest				
On borrowings	225.13	310.34	72.63	51.10
Interest on delayed payment of taxes	4.82	51.35	25.52	54.94
Bank charges	19.22	70.79	10.46	8.97
	249.17	432.48	108.61	115.01

Note: Effect of transactions post closing date of slum sale arrangement refer note 35.

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(All amounts in Rupees lacs, unless otherwise stated)

22 Depreciation and amortisation expenses

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation and impairment on tangible assets	57.53	111.06	153.86	178.78
	57.53	111.06	153.86	178.78

23 Other expenses

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Freight and handling charges	439.80	1,003.90	946.79	923.71
Provision for Disputed Trade Payable (refer note 27)	-	-	-	-
Allowances for doubtful debts	100.77	235.61	73.79	-
Legal & Professional Fees	75.52	159.59	55.50	20.82
Repairs and Maintenance	41.72	143.50	126.34	61.76
Support Services cost	49.68	90.46	67.83	51.94
Corporate social responsibility expenditure	15.68	62.02	30.59	19.17
Rates and taxes	16.21	87.01	22.07	2.62
Rent	74.24	74.20	13.31	33.00
Bad Debts / Advances written off	0.10	48.31	36.28	15.72
Gain on foreign exchange transactions & translations(Net)	5.19	37.29	117.70	17.24
Listing Processing Fees	5.00	20.00	-	-
Utility Expenses Charges	12.38	17.59	12.28	10.95
Insurance charges	21.38	12.04	3.15	3.48
Directors Sitting Fees	9.50	17.75	-	-
Commission on Sales	10.00	14.73	5.93	14.14
Travelling expenses	4.87	8.76	17.37	6.70
Auditors Remunerations (refer note below)	3.00	8.55	9.60	8.20
Business Promotion Expenses	-	4.39	-	0.45
Telephone and communication expenses	1.06	2.37	1.74	0.95
Impairment loss on Property, Plant and Equipments	-	-	90.06	-
Loss on disposal of property, plant and equipment (Net)	-	-	274.40	-
Miscellaneous expenses	44.80	38.01	36.34	65.18
	930.89	2,086.07	1,941.05	1,256.02

Note: Effect of transactions post closing date of slum sale arrangement refer note 35.

	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Auditor's remuneration and out-of-pocket expenses				
Audit fee	3.00	8.55	5.50	4.50
Tax audit fee	-	-	4.10	3.70
	3.00	8.55	9.60	8.20

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24 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 a CSR committee has been formed by the Company. The funds were utilised throughout the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards aforesaid activities.

Disclosures in relation to corporate social responsibility expenditure:

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Amount spent during the year				
- Promoting and preventive healthcare	-	-	-	-
- Promoting education including special education and employment enhancing vocational fees	-	-	-	-
- Environment	15.68	22.27	2.72	12.00
- Livelihood (Rural Development Projects)	-	39.75	35.86	7.17
- Road Safety	-	-	-	-
- Others	-	-	-	-
Total	15.68	62.02	38.58	19.17
(ii) Amount required to be spent by the Company as per Section 135 of the Act	53.14	47.92	38.03	22.47
(iii) Details of CSR expenditure under Section 135(5) of the Act				
Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance excess spent as at beginning of the period / year	(14.10)	-	(7.99)	(11.29)
Amount required to be spent during the period / year	53.14	47.92	38.03	22.47
Amount spent during the period / year	(15.68)	(62.02)	(30.59)	(19.17)
Balance of excess as at the end of the period / year	23.36	(14.10)	-	(7.99)

25 Earnings per share

The following table reflects profit and shares data used in the computation of basic and diluted earnings per share.

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a) Profit after tax				
Profit attributable to ordinary shareholders - for basic and diluted EPS	1,656.51	1,478.83	975.30	2,110.97
	Nos	Nos	Nos	Nos
b) Weighted average number of Ordinary Shares for basic and diluted	61,466,514	58,313,084	55,125,000	55,125,000
c) Nominal value of ordinary shares (INR)	10.00	10.00	10.00	10.00
d) Basic and diluted earnings per ordinary share (INR)	2.69	2.54	1.77	3.83

Note: Weighted average number of Ordinary Shares for basic and diluted have been adjusted for Bonus Shares retrospectively.

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26 Contingent Liability**Contingencies:**

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following are the description of claims and assertions where a potential loss is possible, but not probable.

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Matters with Income Tax Authorities (refer note (i))	56.25	56.25	56.25	-
Claims not acknowledged as debt (refer note (ii))	-	1,043.25	-	-
Outstanding Bank Guarantees (refer note (iii))	129.43	112.16	0.66	3.32
Bills Discounting Facility (refer note (iv))				
- Sanctioned	380.00	-	-	-
- Utilized	78.85	-	-	-

i) Matters with Income Tax Authorities include demand from tax authorities. The Company has preferred appeal on these matters and the same are pending with various appellate authorities.

ii) The Company and Zhejiang Sanmei Chemical Industry Co., Ltd ("Sanmei" / "Supplier"), a Chinese firm, have had multiple contracts in the past for supplying gases. In the fiscal year 2021, the Company entered into additional contracts with Sanmei, for the supply of various refrigerants, including R410a, R32, and R407C, to be filled and delivered in returnable ISO-Tanks.

However, there's was a dispute between the company and Sanmei. Therefore, legal representatives of Sanmei escalated the issue by sending a demand notice on December 02, 2021, under the Insolvency and Bankruptcy Code, 2016, demanding \$12,51,290.00 (equivalent to INR 1,048.44 Lakhs revalued using exchange rate prevailing as at September 30, 2024) for the disputed amount allegedly owned by the Company.

In preparing the financial statements, management has re-evaluated contingent liability related Sanmei claim previously disclosed. In accordance with Ind AS 37 Provisions, Contingent Liabilities, and Contingent Assets, a provision has been recognized for disputed trade payables due to an ongoing dispute with a supplier regarding outstanding payments for goods purchased in prior years. This provision represents the estimated outflow of resources that may be required to settle the liability, which is probable and can be reliably estimated based on the best available information.

This provision, grouped under Provision on the Balance Sheet, is distinct from trade payables and is classified as Provisions for Disputed Trade Payables. A potential liability adjustment or reversal may be required based on future developments in the dispute.

Given the ongoing nature of the dispute, the settlement amount is subject to change based on future developments and reassessment of the facts. Management will continue to evaluate the provision periodically, making adjustments as new information becomes available. If circumstances lead to a resolution in favor of the Company - whether through mutual agreement, a binding court or regulatory order, or any other event confirming the liability is not payable - the provision may be revisited and reversed where appropriate, in accordance with applicable Indian Accounting Standards. Such adjustments will be disclosed in the financial statements for the relevant reporting period.

iii) The Company has been sanctioned non-fund based Performance Bank Guarantee limit of INR 225 lakhs. The said facility is 100% secured against term deposit of Mr. Shazad Rustomji. Above outstanding bank guarantees are performance bank guarantees issued by Central Bank of India to customs against the import transactions carried out by the company.

iv) The Company's bill discounting facility is used with recourse. To the best of knowledge of the management, there are no events occurring after the Balance sheet date that provide additional information materially affecting the determination of the amount relating to the conditions existing at the Balance Sheet date that requires adjustment to the Assets or Liabilities of the Company.

27 Segment Reporting

The Company is primarily engaged in the business of manufacture of industrial gases. As such, the Company operates in single business and geographical segment and hence disclosing information as per requirements of Ind AS 108 "Operating Segments" is not required.

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28 Employee Benefits

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Pension Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The only amounts included in the balance sheet are those relating to the prior months contribution that are not due to be paid until the end of reporting period. The amount recognised as an expense towards contribution to Provident Fund and Pension Fund for the year aggregated to:

INR 0.71 lacs September 30, 2024

INR 2.00 lacs March 31, 2024

INR 2.88 lacs March 31, 2023

INR 3.63 lacs March 31, 2022

ii) Defined Benefit Plan

Description of Plans

Retirement Benefit Plans of the Company include Gratuity and Leave Encashment.

Gratuity & Pension

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The Company does not have a fund plan for Gratuity.

The disclosure in respect of the defined Gratuity Plan are given below:

A. Balance Sheet

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Present value of plan liabilities	37.16	34.45	30.35	28.08
Fair value of plan assets	-	-	-	-
(Asset) / Liability recognised	37.16	34.45	30.35	28.08

B. Movements in plan liabilities

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
As at the beginning of the year	34.45	30.35	28.08	27.38
Current service cost	1.96	2.55	2.42	2.36
Past service cost	-	-	-	-
Interest Cost/(Income)	1.17	2.09	1.76	1.67
Return on plan assets excluding amounts included in net finance income/cost	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	0.77	0.26	(1.05)	(0.30)
Actuarial (gain)/loss arising from experience adjustments	(1.18)	(0.81)	(0.86)	(3.03)
Employer contributions	-	-	-	-
Benefit payments	-	-	-	-
As at the end of the year	37.16	34.45	30.35	28.08

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C. Statement of Profit and Loss

Particulars	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Employee Benefits Expense:				
Current service cost	1.96	2.55	2.42	2.36
Interest cost/(income)	1.17	2.09	1.76	1.67
Total amount recognised in Statement of Profit & Loss	3.12	4.64	4.18	4.03
Remeasurement of the net defined benefit liability:				
Return on plan assets excluding amounts included in net finance income/(cost)				
Actuarial gains/(losses) arising from changes in financial assumptions	0.77	0.26	(1.05)	(0.30)
Experience gains/(losses)	(1.18)	(0.81)	(0.86)	(3.03)
Total amount recognised in Other Comprehensive Income	(0.41)	(0.54)	(1.91)	(3.34)

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Financial Assumptions:				
Discount rate	6.80%	7.20%	7.35%	6.70%
Salary Escalation Rate	6.00%	6.00%	6.00%	6.00%
Employee turnover	10.00%	10.00%	10.00%	10.00%
Estimated rate of return on plan assets	NA	NA	NA	NA

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	Impact on defined benefit obligation			
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Discount rate				
Change in assumption	0.50%	0.50%	0.50%	0.50%
Increase	35.55	33.59	29.59	27.34
Decrease	37.46	35.35	31.15	28.84
Salary escalation rate				
Change in assumption	0.50%	0.50%	0.50%	0.50%
Increase	37.07	34.84	30.60	28.42
Decrease	36.09	34.07	30.11	27.83
Withdrawal rate				
Change in assumption	10.00%	10.00%	10.00%	10.00%
Increase	36.75	34.69	30.66	28.36
Decrease	36.18	34.18	30.01	27.77

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(All amounts in Rupees lacs, unless otherwise stated)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

F. The defined benefit obligations shall mature after year end as follows:

Expected payment for the future years	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Within the next 12 months	4.10	4.07	3.75	3.59
Between 1 and 2 years	4.11	4.02	3.47	3.31
Between 2 and 3 years	3.89	3.83	3.58	3.06
Between 3 and 4 years	3.61	3.56	3.37	2.97
Between 4 and 5 years	3.56	3.39	3.14	2.79
Thereafter	26.67	24.47	23.17	16.96

29 A. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings on need basis, if any. The Company monitors the capital structure on the basis of gearing ratio i.e. net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents.

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total equity	13,453.20	11,796.39	7,070.32	6,093.66
Net debt (Total borrowings including current maturities less cash & cash equivalents and Other bank balances)	5,821.47	4,827.52	298.25	20.43
Total capital (Borrowings and Equity)	19,274.67	16,623.90	7,368.57	6,114.10
Gearing ratio	30%	29%	4%	0%

B. Dividend

The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the company and other internal and external factors enumerated in the Company's dividend policy.

No dividend has been declared by the company during the reporting year.

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30 Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Annexure V – Basis of Preparation, Significant Accounting Policies.

a) Category-wise classification of Financial instruments

The carrying value and fair values of financial instruments by class are as follows:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
FINANCIAL ASSETS				
Financial assets measured at cost				
Cash and bank balances	2,218.54	1,613.63	101.20	162.43
Bank balances other than above	64.74	93.39	1,427.97	14.11
Trade receivables	7,634.41	7,103.62	4,239.50	2,847.85
Other financial assets	3.98	3.98	0.10	0.10
	9,921.67	8,814.62	5,768.77	3,024.48
FINANCIAL LIABILITIES				
Financial liabilities measured at cost				
Borrowings	8,104.75	6,534.54	1,827.42	196.97
Trade payables	704.55	374.15	2,383.43	2,894.44
	8,809.30	6,908.69	4,210.85	3,091.41

b) Fair value measurements

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

a) Level 1: Quoted prices for identical instruments in an active market -

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

b) Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs -

This level of hierarchy includes financial assets and liabilities, measured using inputs other than the quoted prices included within level 1 that are observables for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's derivative contracts.

c) Level 3: Inputs which are not based on observable market data -

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

Particulars	Fair value through profit or loss		
	Level 1	Level 2	Level 3
As at September 30, 2024			
Financial Assets	-	-	-
Financial Liabilities	-	-	-
As at March 31, 2024			
Financial Assets	-	-	-
Financial Liabilities	-	-	-
As at March 31, 2023			
Financial Assets	-	-	-
Financial Liabilities	-	-	-
As at March 31, 2022			
Financial Assets	-	-	-
Financial Liabilities	-	-	-

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- i) The Company has assessed that cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- iii) There have been no transfers between Level 1, level 2 and Level 3 for the period ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022.

31 Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

I Market risk:

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

- a) Market risk - Foreign currency exchange rate risk: The Company enter into sale and purchase transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company takes remedial measures to hedge foreign currency risk through various measures like derivative instruments etc.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year, not hedged by derivative instruments, are as follows:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Monetary Assets				
US Dollar in India	31.36	411.92	85.20	115.65
Monetary Liabilities				
US Dollar in India	449.89	326.99	1,011.94	1,111.09

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the Company would result in an decrease/ increase (net) in the Company's net profit before tax by approximately:

INR 41.85 lacs - September 30, 2024

INR 8.49 lacs - March 31, 2024

INR 92.67 lacs - March 31, 2023

INR 99.54 lacs - March 31, 2022

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- b) Market risk - Interest rate risk: Interest rate risk is the risk that the fair value or future cashflow of a financial instrument will fluctuate because of change in market interest rate. The company does not have any borrowings, hence there is no exposure to interest rate risk.

II Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of Cash & bank balances, trade receivables, finance receivables and loans and advances. Company regularly reviews the credit limits of the customers and takes action to reduce the risk. Further diverse and large customer bases also reduces the risk. All trade receivables are reviewed and assessed for default on quarterly basis.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

II Liquidity risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits, which carry no or low market risk. The Company's liquidity position remains strong at:

INR 1,818.61 lacs as at September 30, 2024

INR 1,707.02 lacs as at March 31, 2024

INR 1,529.17 lacs as at March 31, 2023

INR 176.54 lacs as at March 31, 2022

comprising of cash and cash equivalents and other balances with banks

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying Amount	Undiscounted amount payable within 1 year	Total
As at September 30, 2024			
Non-derivative liabilities			
Borrowings	8,104.75	8,104.75	8,104.75
Trade payables	704.55	704.55	704.55
Other current liabilities	185.56	185.56	185.56
Provisions	1,085.60	4.10	4.10
Current Tax Liabilities (Net)	35.34	35.34	35.34
As at March 31, 2024			
Non-derivative liabilities			
Borrowings	6,534.54	6,534.54	6,534.54
Trade payables	374.15	374.15	374.15
Other current liabilities	166.96	166.96	166.96
Provisions	1,077.70	1,077.70	1,077.70
Current Tax Liabilities (Net)	364.28	364.28	364.28
As at March 31, 2023			
Non-derivative liabilities			
Borrowings	1,827.42	1,827.42	1,827.42
Trade payables	2,383.43	2,383.43	2,383.43
Other current liabilities	30.88	30.88	30.88
Provisions	1,059.12	1,059.12	1,059.12
Current Tax Liabilities (Net)	246.75	246.75	246.75
As at March 31, 2022			
Non-derivative liabilities			
Borrowings	196.97	196.97	196.97
Trade payables	2,894.44	2,894.44	2,894.44
Other current liabilities	53.61	-	-
Provisions	28.08	-	-
Current Tax Liabilities (Net)	481.45	-	-

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32 Related Party Disclosure under Ind AS 24

I List of Related Parties

a. Key Managerial Personnel (KMP)

Mr. Shazad Sheriar Rustomji, Managing Director
 Mrs. Manisha Shazad Rustomji, Director
 Mr. Rohan Shazad Rustomji, Director
 Mrs. Geetu Yadav, Director
 Mr. Ashish Mehta, Chief Financial Officer (effective from October 16, 2023)
 Ms. Prachi Walawalkar, Company Secretary (till October 06, 2023)
 Ms. Sarita Khamwani, Company Secretary (from October 06, 2023)

b. Concerns in which KMP are interested

Stallion Enterprises (till September 30, 2023)

II Transaction with the related parties during the year

Particulars	Shazad Rustomji	Geetu Yadav	Manisha Rustomji	Rohan Rustomji	Ashish Mehta	Prachi Walawalkar	Sarita Khamwani	Stallion Enterprises
Sale of Goods								
September 30, 2024	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	1,092.96
March 31, 2023	-	-	-	-	-	-	-	1,488.59
March 31, 2022	-	-	-	-	-	-	-	3,850.87
Purchase of Goods								
September 30, 2024	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	292.02
March 31, 2023	-	-	-	-	-	-	-	1,701.21
March 31, 2022	-	-	-	-	-	-	-	1,426.42
Rent Paid								
September 30, 2024	60.00	-	-	-	-	-	-	-
March 31, 2024	74.20	-	-	-	-	-	-	6.00
March 31, 2023	-	-	-	-	-	-	-	12.00
March 31, 2022	-	-	-	-	-	-	-	12.00
Remunerations								
September 30, 2024	12.00	15.00	6.00	2.70	6.00	-	3.12	-
March 31, 2024	24.00	30.00	12.00	5.30	6.00	0.90	3.26	-
March 31, 2023	24.00	30.00	12.00	4.80	-	1.80	-	-
March 31, 2022	24.00	19.20	12.00	2.00	-	1.80	-	-
Loan from Directors								
September 30, 2024	(509.34)	-	-	-	-	-	-	-
March 31, 2024	1,488.98	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-
Outstanding Balances								
Trade Payables								
September 30, 2024	-	-	-	-	-	-	-	-
March 31, 2024	-	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	1,254.69
March 31, 2022	-	-	-	-	-	-	-	1,714.53
Loan from Directors								
September 30, 2024	979.64	-	-	-	-	-	-	-
March 31, 2024	1,488.98	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-

Notes:

1. The company's related party transactions for the period September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 are at arms length and in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash. All related party balances at year end are considered good and no provision for bad or doubtful debts due from related parties was made during the current / prior year.

2. The Company has, with effect from September 30, 2023, acquired control over Stallion Enterprise, a proprietary concern owned by Mr. Shazad Rustomji, under slum sale through business transfer agreement dated September 30, 2023. Total purchase consideration is INR 3,246.86 lacs which represents the book value of the business and the consideration is paid through issue of 6,341,514 equity shares of the company to Mr. Shazad Rustomji (refer note 34).

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33 Analytical ratios

Particulars	Numerator	Denominator	As at	As at	As at	%	Reason for variance greater than 25%	As at	%	Reason for variance greater than 25%
			September 30, 2024	March 31, 2024	March 31, 2023	Variance		March 31, 2022	Variance	
			(A)	(B)	(C)	(B) / (C)		(D)	(C) / (D)	
a) Current ratio (times)	Current Assets	Current Liabilities	2.16	2.19	1.97	11%		2.19	-10%	
b) Return on equity (%)	Profit after tax	Shareholders equity	12.31%	12.54%	13.79%	-9%	Owing to preferential allotment of fresh equity share during the year.	34.64%	-60%	Loss on Sale of Fixed Assets and impairment provision on Factory Premises.
c) Inventory turnover ratio (times)	Cost of Goods Sold (Cost of material consumed+ Purchase of Stock in Trade + Changes in Inventories of Finished Goods & Work in Progress)	Inventory	0.98	2.05	4.56	-55%	Reduction in ratio owing to increased stock holding resultant of slum sale arrangement.	3.24	41%	Increase in sales of products.
d) Trade receivables turnover ratio (times)	Revenue from operations	Average Trade Receivables	1.91	4.11	6.36	-35%	Reduction in ratio owing to increased trade receivables resultant of slum sale arrangement.	3.55	79%	Increase backed by higher sale of products.
e) Trade payables turnover ratio (times)	Total Purchases (Purchase of materials + Purchase of Stock in Trade)	Average Trade Payables	22.68	14.44	7.13	103%	Increase resulting from prompt payments / settlement of outstanding trade payables.	#REF!	#REF!	Increase backed by higher procurement of Inventories to match product demand.
f) Net capital turnover ratio (times)	Revenue from operations	Working Capital (Current assets - Current liabilities)	1.20	2.32	4.20	-45%	Reduction resultant of increase working capital requirement	4.29	-2%	
g) Net profit ratio (%)	Profit After Tax	Revenue from Operation	12%	6%	4%	47%		11%	-62%	Loss on Sale of Fixed Assets and impairment provision on Factory Premises impacted profit after tax.
h) Return on capital employed (%)	Earnings before interest and tax (Profit before tax + Finance Cost)	Capital Employed (Equity + Borrowing + deferred tax liability)	12%	14%	16%	-12%	Increased capital deployment into the business resulted in reduction of return on Capital Employed.	49%	-68%	Lower profitability due to impairment provisioning and loss on sale of fixed assets.
i) Return on investment (%)	Earnings before interest and tax (Profit before tax + Finance Cost)	Total Assets	11%	13%	11%	13%	Increase in total assets position has resulted in in reduction of return on Investment.	32%	-65%	Lower profitability due to impairment provisioning and loss on sale of fixed assets.

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(All amounts in Rupees lacs, unless otherwise stated)

34 Business Combination

The Company has, with effect from September 30, 2023, acquired control over Stallion Enterprise, a proprietary concern owned by Mr. Shazad Rustomji, under slump sale through business transfer agreement dated September 30, 2023. Total purchase consideration is INR 3,246.86 lacs which represents the book value of the business and the consideration is paid through issue of 6,341,514 equity shares of the company to Mr. Shazad Rustomji.

The fair value of the assets and liabilities acquired is shown below:

I. ASSETS	
(i) Non-current assets	
(a) Property, plant and equipments	161.50
(ii) Current assets	
(a) Inventories	3,834.26
(b) Financial Assets	
Trade Receivables	2,506.40
Cash and cash equivalents	45.14
(c) Other current assets	360.69
Total Assets (i + ii)	6,907.99
II. LIABILITIES	
Current liabilities	
(a) Financial Liabilities	
Borrowings	2,426.53
Trade Payables	103.51
(d) Other Current Liabilities	1,131.10
Total Liabilities	3,661.14
Total Identifiable Net Assets acquired	3,246.86
Fair value of consideration	3,246.86

Acquired Receivables

Fair value of trade and other receivables acquired is INR 2,506.40 lacs. These amounts are fully collectible.

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35 Transition of business from Stallion Enterprise (refer note 34)

Pursuant to the slum sale agreement executed by the Company, Stallion Enterprise, previously owned by Mr. Shazad Rustomji, has been transferred to the Company in its entirety as a going concern on a slum sale basis. The strategic intent behind this acquisition is to consolidate the business operations under the Company's umbrella, effective from the closing date of September 30, 2023.

As per the terms of the slum sale agreement, all benefits arising from transactions conducted after the closing date will accrue to the Company.

The following transactions carried out under Stallion Enterprise post-closing (i.e. September 30, 2023) form part of the Financial Statements:

Particulars	April 01, 2024 to September 30, 2024	September 30, 2023 to March 31, 2024
Sales to external customers	29.57	5,085.13
Sales from Stallion Enterprise to the Company (intra party transactions)	3,570.98	440.89
Purchases from external suppliers	3,662.37	2,374.16
Purchases by Stallion Enterprise from the Company (intra party transactions)	1.42	850.55
Recovery of Bad Debts	-	85.38
Operating Expenses	57.09	212.00
Interest Cost on acquired borrowings	43.44	125.52

As part of the acquisition transition, the Company has initiated the necessary steps to renew all licenses, certificates, and consents under its own name.

The Company is diligently working to expedite the processing and approval of these documents, ensuring full compliance with all legal and regulatory requirements.

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(All amounts in Rupees lacs, unless otherwise stated)

36 Other disclosure requirements as per Schedule III

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (vii) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- (viii) The Company doesn't have any co-owned properties or the properties (including properties for which the lease agreement executed and disclosed as 'Right-of-Use Assets' in restated consolidated financial information) title deed of which are held by the others.
- (ix) The Company has not granted any Loans or Advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (x) The Company has used the borrowings from the banks only for its intended purpose during the financial year.
- (xi) The Company did not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

37 Previous years' figures have been re-grouped/ re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

38 Appropriate re-groupings have been made in the Restated Financial Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the classification as per the Ind AS financial information of the Company for the period ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Schedule III of Companies Act, 2013, requirements of applicable Ind AS and the requirements of the SEBI ICDR Regulations.

For Mittal & Associates
Chartered Accountants
Firm's Registration: 106456W

For and on behalf of the Board of Directors of
Stallion India Fluorochemicals Limited (Formerly Known as Stallion
India Fluorochemicals Private Limited)
CIN: U51410MH2002PLC137076

Sd/-
Hemant R Bohra
Partner
Membership number: 165667

Sd/-
Shazad Rustomji
Managing Director & CEO
DIN: 01923432

Sd/-
Rohan Shazad
Director
DIN: 09312347

Sd/-
Ashish Mehta
Chief Financial Officer

Sd/-
Sarita Khamwani
Company Secretary
M no. A26838

Place: Mumbai

Place: Mumbai

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VII - Statement of restatement adjustments to audited financial statements

(All amounts in Rupees lacs, unless otherwise stated)

a) Reconciliation between Audited Equity and Restated Equity

ASSETS	As at September 30, 2024			As at March 31, 2024			As at March 31, 2023			As at March 31, 2022		
	Audited Financials	Restatement adjustments	Restated Financials	Audited Financials	Restatement adjustments	Restated Financials	Audited Financials	Restatement adjustments	Restated Financials	Audited Financials	Restatement adjustments	Restated Financials
Non-current assets												
(a) Property, Plant and Equipment	1,680.71	0.00	1,680.71	1,372.34	-	1,372.34	1,287.60	-	1,287.60	1,833.57	-	1,833.57
(b) Deferred tax assets (net)	75.18	-	75.18	74.22	-	74.22	-	74.61	74.61	-	-	-
(c) Income tax assets (net)	35.07	-	35.07	-	-	-	-	-	-	-	-	-
(d) Other non-current assets	-	-	-	0.25	-	0.25	0.75	-	0.75	1.25	-	1.25
Current assets												
(a) Inventories	10,745.47	-	10,745.47	9,095.58	-	9,095.58	4,159.80	-	4,159.80	4,303.41	-	4,303.41
(b) Financial Assets												
(i) Trade receivables	7,634.41	-	7,634.41	7,103.62	-	7,103.62	4,354.05	(114.55)	4,239.50	2,888.61	(40.76)	2,847.85
(ii) Cash and cash equivalents	2,218.54	-	2,218.54	1,613.63	-	1,613.63	101.20	-	101.20	162.43	-	162.43
(iii) Bank balances other than (iii) above	64.74	-	64.74	93.39	-	93.39	1,427.97	-	1,427.97	14.11	-	14.11
(iv) Others Financial Assets	3.98	-	3.98	3.98	-	3.98	0.10	-	0.10	0.10	-	0.10
(d) Other current assets	1,110.91	-	1,110.91	643.58	-	643.58	958.81	-	958.81	637.98	-	637.98
Total Assets	23,569.01	0.00	23,569.01	20,000.59	-	20,000.59	12,290.27	(39.95)	12,250.33	9,841.45	(40.76)	9,800.69
EQUITY AND LIABILITIES												
EQUITY												
(a) Equity Share capital	6,146.65	-	6,146.65	6,146.65	-	6,146.65	5,512.50	-	5,512.50	1,225.00	-	1,225.00
(b) Other Equity	7,306.55	-	7,306.55	6,379.56	(729.82)	5,649.73	2,256.88	(699.06)	1,557.82	4,929.55	(60.88)	4,868.66
Total Equity	13,453.20	-	13,453.20	12,526.21	(729.82)	11,796.39	7,769.38	(699.06)	7,070.32	6,154.55	(60.88)	6,093.66
LIABILITIES												
Non-current liabilities												
(a) Provisions	33.07	-	33.07	30.38	-	30.38	-	26.60	26.60	-	24.48	24.48
(b) Deferred tax liabilities (Net)	-	-	-	-	-	-	32.42	(32.42)	0.00	72.54	(20.05)	52.49
Current liabilities												
(a) Financial Liabilities												
(i) Borrowings	8,104.75	-	8,104.75	6,534.54	-	6,534.54	1,827.42	-	1,827.42	196.97	-	196.97
(ii) Trade Payables												
(A) total outstanding dues of micro enterprises and small enterprises; and	1.27	-	1.27	1.29	-	1.29	3.30	-	3.30	11.76	-	11.76
(B) total outstanding dues of creditors other than micro enterprises and small	703.28	-	703.28	372.86	-	372.86	2,380.13	-	2,380.13	2,882.68	-	2,882.68
(b) Other current liabilities	185.56	-	185.56	166.96	-	166.96	30.88	-	30.88	53.61	-	53.61
(c) Provisions	1,052.54	-	1,052.54	4.07	1,043.25	1,047.32	-	1,032.53	1,032.53	-	3.59	3.59
(d) Current Tax Liabilities (Net)	35.34	-	35.34	364.28	-	364.28	246.75	-	246.75	469.36	12.09	481.45
Total Liabilities	10,115.81	-	10,115.81	7,474.38	1,043.25	8,517.63	4,520.89	1,026.71	5,547.60	3,686.91	20.12	3,707.03
Total Equity and Liabilities	23,569.01	-	23,569.01	20,000.59	313.43	20,314.01	12,290.28	327.64	12,617.92	9,841.46	(40.76)	9,800.69

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VII - Statement of restatement adjustments to audited financial statements

(All amounts in Rupees lacs, unless otherwise stated)

b) Reconciliation of between audited statement profit and loss and restated statement of profit and loss

Particulars	For the period ended September 30, 2024			For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2022		
	Audited Financials	Restatement adjustments	Restated Financials	Audited Financials	Restatement adjustments	Restated Financials	Audited Financials	Restatement adjustments	Restated Financials	Audited Financials	Restatement adjustments	Restated Financials
I. Income												
Revenue from operations	14,073.15	-	14,073.15	23,323.58	-	23,323.58	22,550.44	-	22,550.44	18,588.27	-	18,588.27
Other income	80.01	-	80.01	319.30	(20.26)	299.05	969.49	(913.58)	55.91	45.80	-	45.80
Total Income (I)	14,153.16	-	14,153.16	23,642.88	(20.26)	23,622.63	23,519.93	(913.58)	22,606.35	18,634.07	-	18,634.07
II. Expenses												
Cost of materials consumed	12,370.11	-	12,370.11	19,467.12	-	19,467.12	18,962.28	595.31	19,557.59	13,946.41	1,195.24	15,141.65
Changes in inventories of finished goods, Stock-in-Trade and work in-progress	(1,786.45)	-	(1,786.45)	(791.97)	-	(791.97)	-	(595.31)	(595.31)	-	(1,195.24)	(1,195.24)
Employee benefits expense	84.84	-	84.84	190.92	-	190.92	138.94	4.18	143.12	126.72	4.03	130.76
Finance costs	266.95	(17.78)	249.17	414.70	17.78	432.48	108.61	-	108.61	65.81	49.20	115.01
Depreciation and amortization expenses	57.53	-	57.53	111.06	-	111.06	153.86	-	153.86	178.78	-	178.78
Other expenses	1,974.14	(1,043.25)	930.89	2,091.85	(5.78)	2,086.07	1,752.07	188.98	1,941.05	1,297.44	(41.41)	1,256.02
Total expenses (II)	12,967.12	(1,061.03)	11,906.09	21,483.68	12.00	21,495.68	21,115.76	193.17	21,308.93	15,615.16	11.81	15,626.98
III. Restated Profit before tax (I-II)	1,186.03	1,061.03	2,247.06	2,159.20	(32.26)	2,126.94	2,404.16	(1,106.74)	1,297.42	3,018.90	(11.81)	3,007.09
IV. Tax expense:												
Current tax	328.92	262.59	591.51	612.24	36.38	648.62	821.33	(371.57)	449.76	930.92	(49.20)	881.72
Adjustment of tax relating to earlier periods	(68.62)	68.62	-	-	-	-	-	-	-	-	-	-
Deferred tax	(0.95)	-	(0.95)	(0.50)	-	(0.50)	(40.12)	(87.53)	(127.65)	3.51	10.89	14.40
Total tax expense (IV)	259.35	331.21	590.55	611.73	36.38	648.12	781.21	(459.10)	322.12	934.43	(38.31)	896.12
Restated Profit for the year (III+IV)	926.69	729.82	1,656.51	1,547.47	(68.64)	1,478.83	1,622.95	(647.65)	975.30	2,084.47	26.50	2,110.97
Restated Other Comprehensive Income												
A (i) Items that will not be reclassified to profits or loss	0.41	-	0.41	0.54	-	0.54	-	1.91	1.91	-	3.33	3.33
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.10)	-	(0.10)	(0.16)	-	(0.16)	-	(0.56)	(0.56)	-	(0.97)	(0.97)
Restated Total Comprehensive Income for the year (V+VI) Comprising Profit and Other comprehensive Income for the year	926.99	729.82	1,656.82	1,547.85	(68.64)	1,479.21	1,622.95	(646.29)	976.66	2,084.47	28.86	2,113.33

Stallion India Fluorochemicals Limited (Formerly Known as Stallion India Fluorochemicals Private Limited)

Annexure VII - Statement of restatement adjustments to audited financial statements

(All amounts in Rupees lacs, unless otherwise stated)

c) Reconciliation between audited statement of Equity and Restated statement of Equity

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total equity as per Audited Financials	13,453.20	12,526.21	7,769.38	6,154.55
<u>Restatement Adjustments</u>				
i) Ind AS 109 - Allowance for Doubtful Debt based on Expected Credit Loss Model	-	-	(114.55)	(40.76)
ii) Ind AS 19 - Post employment benefits	-	-	(30.35)	(28.08)
iii) Deferred Tax adjustment applied on the above	-	-	42.20	20.05
iv) Rectification of Deferred Tax error	-	-	64.82	-
v) Provision for Disputed Trade Payables	-	(1,043.25)	(1,028.77)	-
vi) Interest on delayed payment of taxes	-	(17.78)	-	-
vii) Adjustment of tax relating to earlier periods	-	(40.03)	120.74	(12.09)
viii) Tax impact on adjustment	-	371.23	246.85	-
Total Restatement Adjustments	-	(729.82)	(699.06)	(60.88)
Total Equity as per Restated Financials	13,453.20	11,796.39	7,070.32	6,093.66

d) Notes on restatement adjustments:

- i) The Company has developed a model to calculate the Expected Credit Loss (ECL) for its outstanding trade receivables, in line with the guidelines outlined in Ind AS 109 – Financial Instruments. Using this model, the Company has made adjustments to the restated financial statements to account for allowances for doubtful debts that were previously omitted.
- ii) The restated financial statements now include provisions for post-retirement benefits (gratuity) based on an actuarial valuation in line with Ind AS 19 - Employee Benefits whereas these benefits were previously recorded on a cash basis.
- iii) Deferred tax adjustments have been applied in the restated financial statements to account for items (i) and (ii) above.
- iv) Corrections have been applied to the deferred tax figures in the restated financial statements to rectify inaccuracies that were previously reported.
- v) Management has reassessed the contingent liability arising from an ongoing product liability dispute between the Company and Zhejiang Sanmei Chemical Industry Co., Ltd. ("Sanmei" or the "Supplier") (refer to Note 27(ii) of Annexure VI to the restated financial statements). In accordance with Ind AS 37 on Provisions, Contingent Liabilities, and Contingent Assets, the Company has recognized a provision for disputed trade payables. This provision represents the estimated outflow of resources necessary to settle the liability, based on the most reliable information available at the time. As a result, an adjustment has been made to the relevant prior period of the restated financial statements to reflect the liability in the period to which it pertains.
- vi) Provision has been made reference to the interest liability on Income Tax delayed payment and accordingly restated financials statement have been adjusted.
- vii) Restated Financials have been adjusted for the tax expenses pertaining the relevant previous periods.
- viii) Income tax adjustments have been applied in the restated financial statements to account for (v).
- ix) Certain expenses have been appropriately regrouped between the restated statement of profit and loss to ensure accurate reporting.

OTHER FINANCIAL INFORMATION

The accounting ratios derived from our Restated Financial Information are given below:

Particulars	As at	For fiscal March 31		
	September 30, 2024*	2024	2023	2022
Basic earnings per share (in ₹)	2.69	2.54	1.77	3.83
Diluted earnings per share (in ₹)	2.69	2.54	1.77	3.83
Return on net worth (%)	12.31%	12.54%	13.79%	34.64%
Net asset value per share (in ₹)	21.89	19.19	12.83	49.74
EBITDA (in ₹ Lakhs)	2,553.76	2,670.48	1,559.89	3,300.88

* Not annualized

- a) Basic EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/period.
- b) Diluted EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.
- c) Return on Net Worth (%) = Total Comprehensive Income divided by the Net Worth at the end of the respective year/period attributable to the owners of our Company.
- d) NAV per Equity Share (in Rs.) is computed as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.
- e) EBITDA is calculated as profit before exceptional items and tax plus finance cost, depreciation and amortization expenses.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures, read with the SEBI ICDR Regulations for period ended September 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 and as reported in the Restated Financial Information, see “Restated Financial Information – Notes forming part of the Restated Financial Information – Note 32.Related Party Disclosures under Ind AS 24 ” on page 220.

FINANCIAL INDEBTEDNESS

Our Company has certain loans sanctioned in the ordinary course of its business for the purposes of meeting working capital requirements and capital expenditure requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association.

The following table sets forth details of the aggregate outstanding borrowings of our Company, on a restated financial statement, as at September 30, 2024.

(₹ in lakhs)					
Category of Borrowings	Sanctioned Amount	Loan Type	Sanction Date	ROI	Outstanding Amount
Secured Loans					
Fund based facilities					
- Cash Credit					
ICICI Bank ⁽¹⁾	6,000.00	Cash credit	December 22, 2023	Repo rate +2.25%	5,983.23
- Overdraft against fixed Deposit					
Central Bank of India ⁽²⁾	1120.00	OD against Fixed Deposit	December 20, 2023	FD Interest rate +1.00%	1,141.88
- Loan from Director					
Shazad Rustomji ⁽³⁾	NA	Unsecured loan	-	-	979.64
Total					8,104.75

As certified by Mittal & Associates, Chartered Accountants by their certificate dated December 07, 2024

⁽¹⁾ Overdraft against Fixed Deposit for Working capital.

⁽²⁾ Working capital loan having pari-passu hypothecation charge on all existing and future current assets. Exclusive charge on Immovable Fixed Assets.

⁽³⁾ Outstanding balance Overdraft against fixed deposit facilities from Central Bank of India of INR 1,119.81 lakhs respectively belongs to Stallion Enterprises and the company has acquired Stallion Enterprises on slump sale basis pursuant to slump sale agreement dated September 30, 2023.

There have been no defaults in repayment of borrowings with any financial institutions/ banks as on the date of this Draft Red Herring Prospectus. We have received all the necessary approvals from the concerned lenders for the proposed Issue.

For further information, see Risk Factor No. 34 – “Our indebtedness and the restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.” on page 42 this Red Herring Prospectus.

Principal terms of the borrowings availed by us:

A summary of the principal terms of our borrowings are as set out below. The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us:

1. **Tenor:** The tenor of our Borrowings is generally a period of 12 months, subject to renewal.
2. **Interest:** The interest rate charged by the lenders for our Borrowings varies from 2.25% to 2.35% over and above the Repo rate.
3. **Security:** In terms of our borrowings where security needs to be created, we are typically required to:
 - a) Charge on Fixed Deposit, current asset and immovable properties of the Company;

4. **Events of default:** The terms of our borrowings contain certain standard events of default which may attract additional interest charges, including:
 - a) Non-compliance of sanction terms pertaining to Stock Audit, Book Debt Statement and Stock Statement;
 - b) Irregular due to drawings beyond Drawing Power / Limit;
 - c) Payment default (in case of foreign currency loans, the foreign currency amount will be converted into equivalent rupee and additional interest as mentioned herein will be charged);
 - d) Breach of Financial Covenants;
 - e) Non-compliance of sanction terms pertaining to security creation.
5. **Consequences of event of default:** Upon the occurrence of an event of default the lender may levy Additional interest charges over and above the normal interest applicable in the account.
6. **Restrictive Covenants:** The borrowing arrangements entered into by us restrict us from carrying out certain actions, including:
 - a) Any change in the capital structure of our Company;
 - b) Prior Permission of Bank/Financial Institution in case of further fund raising;
 - c) In case of delay or default in repayment of any of the facility/ies availed by the Company from the Bank or any other bank or financial institution, the Company shall not allow any payout by way of Salary to directors (other than professional directors) or by way of interest to other subordinated lenders or by way of dividend to shareholders.
 - d) Reduction/change in promoter shareholding/change in promoter directorship resulting in change in management control;
 - e) Pledge of shares by promoters which may potentially change management control.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Financial Statements (including the schedules, notes and significant accounting policies thereto), included in the section titled "Restated Financial Statements" beginning on page 205.

Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated or the context requires otherwise, the financial information for the period ended September 30, 2024 and for Fiscals 2024, 2023 and 2022 included herein have been derived from our restated balance sheets as period ended September 30, 2024 and of March 31, 2024, March 31, 2023 and March 31, 2022 and restated statements of profit and loss, cash flows and changes in equity as at period ended September 30, 2024 and for the fiscal years ended March 31, 2024, March 31, 2023 and March 31, 2022 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report titled "Industry Research Report Industry Research Report on Fluorochemicals & Specialty Gases" dated November, 2023 prepared by Care Analytics and Advisory Private Limited (the "CareEdge Research") and publicly available information as well as other industry publications and sources. The Report has been exclusively commissioned at the request of our Company and paid for by our Company for the purposes of this Issue and is available on the website of the Company at www.stallionfluorochemicals.com.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" beginning on page 17 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Our Business" beginning on pages 28 and 144, respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to Stallion India Fluorochemicals Limited.

COMPANY OVERVIEW

Our Company was incorporated as Stallion India Fluorochemicals Private Limited, a private limited company, at Mumbai under the Companies Act, 1956 on September 05, 2002, and was granted the certificate of incorporation by the RoC. Subsequently, the name of the Company was changed to Stallion India Fluorochemicals Limited pursuant to a special resolution passed by the shareholders of the Company on August 07, 2023, and a fresh certificate of incorporation dated October 05, 2023 was issued by the RoC consequent upon change of name upon conversion into a public limited company under the Companies Act, 2013.

BUSINESS OVERVIEW

Our Company, commonly known as Stallion, is a Mumbai-based company incorporated on September 05, 2002 in Mumbai by Shazad Sheriar Rustomji, who currently serves as the Chairman & Managing Director and is also one of the Promoter of the Company.

We are into the business of selling Refrigerant and Industrial Gases and related products. Our primary business consists of debulking, blending and processing of Refrigerant and Industrial gases, selling of pre filled cans and small Cylinders/ Containers.

We have four facilities located in Khalapur (Maharashtra), Ghiloth (Rajasthan), Manesar (Haryana) and Panvel (Maharashtra). Each of these facilities is designed and equipped to store gases in a controlled environment, ensuring adherence to the safety standards.

Our gases find application in various industries/segments such as Air conditioners & Refrigerators, Fire Fighting, Semiconductor manufacturing, Automobile Manufacturing, Pharma and Medicals, Glass bottle manufacturing, Aerosols and Spay foam.

We sell our products across Indian states but the major supply is in the state of Maharashtra and Delhi. For period ended September 30, 2024, fiscal 2024 and Fiscal 2023 our revenue from the state of Maharashtra and Delhi constituted for 74.41%, 69.82% and 63.92% respectively of our total revenue.

Bifurcation of our company's revenue by products:

(₹ in lakhs)

Product category	As at September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
	Revenue	Revenue	Revenue	Revenue
Sale of Gases & related products				
Refrigerants Products	12,286.87	19,085.47	18,848.57	17,795.49
Other Products				
Cylinders	451.34	750.74	208.74	65.19
Paint	-	46.63	-	-
Washer Pump	73.50	494.33	244.21	-
Refrigerants Cans (Filled & Empty)	983.04	2,493.45	3,222.25	631.03
Vacuum Pump, AC Cleaner, Anti Rust Lubricant, Wooden pallets & Spectra Shield, Valves & Caps etc.	259.41	429.75	1.05	66.24
Spare Parts of Washer	13.11	15.93	13.31	-
Total	14,067.27	23,316.30	22,538.14	18,557.95

For further detail please refer "Our Business" on page 144.

Key Performance Indicator Based on Restated Financials:

(₹ in Lakhs)

Particulars	Sep-24	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations ¹	14,073.15	23,323.58	22,550.44	18,588.27
Total Revenue ²	14,153.16	23,622.63	22,606.35	18,634.07
EBITDA	2,553.76	2,670.48	1,559.89	3,300.88
EBIT	2,496.23	2,559.42	1,406.03	3,122.10
EBT	2,247.06	2,126.94	1,297.42	3,007.09
PAT	1,656.51	1,478.83	975.30	2,110.97
EBITDA Margin ³	18.04%	11.30%	6.90%	17.71%
EBIT Margin ⁴	17.64%	10.83%	6.22%	16.75%
EBT Margin ⁵	15.88%	9.00%	5.74%	16.14%
PAT Margin ⁶	11.70%	6.26%	4.31%	11.33%

Particulars	Sep-24	Fiscal 2024	Fiscal 2023	Fiscal 2022
Share Capital	6,146.65	6,146.65	5,512.50	1,225.00
Other Equity	7,306.55	5,649.73	1,557.82	4,868.66
Net Worth	13,453.20	11,796.39	7,070.32	6,093.66
Short Term Borrowing	8,104.75	6,534.54	1,827.42	196.97
Long Term Borrowing	-	1.00	2.00	3.00
Total Borrowing	8,104.75	6,535.54	1,829.42	199.97
Debt / Equity ⁷	0.60	0.55	0.26	0.03
Interest Coverage Ratio ⁸	10.02	5.92	12.95	27.15
RoE ⁹	12.31%	12.54%	13.79%	34.64%
RoCE ¹⁰	11.58%	13.96%	15.80%	49.22%
Net Debt / EBITDA ¹¹	2.30	1.84	1.11	0.01
Current Ratio ¹²	2.16	2.19	1.97	2.19
EPS (Basic)	2.69	2.54	1.77	3.83
EPS (Diluted)	2.69	2.54	1.77	3.83
Cash & Equivalents	2,218.54	1,613.63	101.20	162.43
Current Assets	21,778.05	18,553.77	10,887.37	7,965.87
Current Liabilities	10,082.74	8,487.25	5,521.00	3,630.06

1. Revenue from operations refers to revenue from sales of product and services and other operating income.
2. Total Revenue refers to Revenue from operations plus Other Income.
3. EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
4. EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
5. EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
6. PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
7. Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
8. Interest Coverage Ratio is used to measure the ability of company to make interest payments from its available earnings.
9. RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
10. RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generate the returns against the capital it put to use.
11. Net Debt / EBITDA ratio is a financial leverage metric used to measure a company's ability to pay off its debt obligations with available earning. It is also used as proxy for payback period assuming the company operates at current level to become debt-free.
12. Current Ratio indicates the short term liquidity and measures the ability of the company to pay off its short term obligations.

PRESENTATION OF FINANCIAL INFORMATION

“The restated financial statements of the Company comprises of the Balance Sheet as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the statement of profit and loss (including other comprehensive income), the statement of cash flows, the statement of changes in equity for the period ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the significant accounting policies and explanatory notes (collectively, the ‘financial statements’ or ‘statements’).

The accounting policies have been consistently applied by the Company in the preparation of the financial statements. These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective as at September 30, 2024.

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements. For all periods up to and including the year ended March 31, 2023, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified

under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at April 1, 2023 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 “First-time adoption of Indian Accounting Standards”. The transition was carried out from accounting principles generally accepted in India (“Indian GAAP”) which is considered as the previous GAAP, as defined in IND AS 101.

These financial statements have been prepared and presented under the historical cost convention with the following exceptions:-

- certain financial assets and liabilities
- defined benefit plans – plan assets measured at fair value
- share-based payments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Any disruption in continuous operations at our facilities;
2. Failure to perform contractual obligations by our suppliers or non-performance in a timely manner, or at all.
3. Any increase in the cost, or delay, shortage, interruption or reduction in the supply of raw materials and major production inputs to manufacture our products;
4. Any disruptions in the industry in which our customers compete or rapid change in preferences and other related factors;
5. Inability to develop new Specialty Gas may affect our future growth and business;
6. Failure to identify emerging trends or successfully develop new production processes and adopt new original design manufacturing capabilities;
7. Failure to obtain or renew the required accreditations, licenses and permits from government, regulatory authorities in a timely manner;
8. Any prolonged disruption or non-availability of timely and cost-efficient transportation and other logistic facilities.
9. Any prolonged disruption or non-availability of timely and cost-efficient transportation and other logistic facilities.
10. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

MATERIAL ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

A) Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

B) Use of estimates and critical accounting judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the

date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

C) Current – Non-current classification

All assets and liabilities are classified into current and non-current assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities:

D) Revenue recognition

i. Sale of Products

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring control of promised good to a customer. Performance obligation in respect of sale of product is satisfied at a point in time which usually occurs upon receipt of goods by the customer. At that point, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment

terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

ii. Sale of Services

In respect of sale of services, performance obligation is satisfied over time when the entity renders services to customers. Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

iii. Interest & Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

iv. Other Income

Other Incomes are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

E) Property, Plant and equipment

Freehold Land is carried at historical cost. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation or accumulated impairment loss, if any.

Cost of item of property, plant and equipment includes purchase price, taxes, non-refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Expenses capitalised include applicable borrowing costs for qualifying assets, if any.

This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values, useful lives and method of depreciation of Property, Plant & Equipment is reviewed at each financial year and adjusted prospectively, if any.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be for more than once accounting period are capitalized.

Property, Plant and Equipment under construction are recognized as capital work in progress.

F) Goodwill and other Intangible assets

Goodwill arising on acquisition of business is measured at cost less any accumulated impairment loss. Goodwill is assessed at every balance sheet date for any impairment.

Intangible assets are only recognized when it is probable that associated future economic benefits would flow to the Company.

Intangibles in respect of non- compete and customer relationships acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at costs less accumulated amortization and accumulated impairment losses, if any.

Intangible assets in respect of software's acquired separately are measured on initial recognition at cost. Following initial recognition, they are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are derecognised either on their disposal or where no future economic benefits are expected from their use.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

G) Depreciation of Property, Plant and Equipment

Depreciation is computed as per the written-down value method based on the management's estimate of useful life of a property, plant and equipment. Land is not depreciated but subject to impairment.

These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

The following useful lives apply to the different types of tangible assets:

Asset	Years
Building	3 to 30
Plant and Equipment	2 to 25
Furniture and Fixture	3 to 10
Vehicles	5 to 10
Office Equipment	2 to 10

Assets individually costing Rs. 25,000 or less are fully depreciated in the year of acquisition.

Spares capitalized are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.

Schedule II to the Companies Act, 2013 ("Schedule") prescribes the useful lives for various classes of tangible assets. For certain class of assets, based on the technical evaluation and assessment, the Company believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use.

Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule.

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

H) Amortisation of Intangible assets

Intangible assets except Goodwill are amortised in Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on written-down value basis.

The estimated useful lives of Intangible Assets are as follows:

Asset	Years
Software	6
Non-compete fee	15
Customer Relationship	25

The useful lives are reviewed atleast at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

I) Impairment of non-financial assets

The carrying amounts of property, plant & equipment, capital work in progress and intangible assets are reviewed at each Balance Sheet date, to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”). An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect of that event.

J) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

K) Inventories

Inventories of raw materials, components and stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, First-in-First-out (FIFO) method is used. The carrying costs of raw materials, components and stores and spare parts are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods are valued at the lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities. Cost is determined on a first-in first-out (FIFO) basis.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

L) Leases

The Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts.

Company as a lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined.

If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is remeasured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

Company as lessor

In respect of assets given on operating lease, the lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

M) Employee benefits

The Company’s obligation towards various employee benefits have been recognized as follows:

Short term benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees. The company recognizes a liability & expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Post-employment Benefits

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

Recognition and measurement of defined benefit plans:

For defined benefit schemes i.e. gratuity, superannuation and post-retirement medical benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. Such re-measurements are not re-classified to the Statement of Profit & Loss in the subsequent period. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

Other long-term employee benefits

Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each year end balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation.

Termination Benefits

Termination Benefits, in the nature of voluntary retirement benefits or Termination Benefits arising from restructuring, are recognized in the Statement of Profit & Loss. The Company recognizes Termination Benefits at the earlier of the following dates:

- (a) when the Company can no longer withdraw the offer of these benefits, or
- (b) when the Company recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Employee Stock Option Plans

Employee stock options have time and performance based vesting conditions. The fair value as on grant date factoring such time and performance conditions is recognized as employee benefit expense over the vesting period of such options

N) Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are translated at the year-end foreign exchange rates. Non-Monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in other comprehensive income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

O) Provisions, contingent liabilities, and contingent assets

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation.

When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable. Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

P) Income taxes

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year.

Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit

and is accounted for using liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction and there is an intention to settle the asset & liability on a net basis.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case tax is also recognized in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

R) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at Transaction price.

(a) Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ii. Financial assets measured at fair value

Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned while holding a FVTOCI instrument is reported as interest income using the effective interest rate method.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through the statement of profit and loss (FVTPL)

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Fair value changes are recognized in the Statement of Profit & Loss at each reporting period.

iii. Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

v. Impairment of financial assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss.

The Company recognises life time expected credit losses for all trade receivables and unbilled revenues that do not constitute a financing transaction. For all other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal

to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The Impairment losses and reversals are recognized in the Statement of Profit & Loss.

vi. De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received. On de-recognition of a Financial Asset (except for Financial Assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit & Loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit & Loss.

Derivative financial instruments and hedge accounting

The Company enters into forward contracts and principal and interest swap contracts to hedge its risks associated with foreign currency and variable interest rate fluctuations related to existing financial assets and liabilities, certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedge.

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward and interest rate contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognized immediately in the statement of profit and loss. The effective portion is recognized in Other Comprehensive Income.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

S) Investment in Joint Ventures & associates

A joint venture is a joint arrangement whereby the parties have the joint control of the arrangement and have rights to the net assets to joint arrangement. Joint control is contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activity require unanimous consent of the parties sharing control. Investment in joint ventures are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

An associate is an entity over which the investor has significant influence. Investment in associates are carried at fair value through Profit & Loss.

T) Onerous contracts

A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

U) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

V) Business Combinations

Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for noncontrolling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

W) Segment Reporting

Operating Segments are reported in a manner consistent with the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance based on product and services.

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the restated standalone financial results of our Company for period / years ended June 2024, March 2024, March 31, 2023, and March 2022.

PRINCIPAL COMPONENT OF INCOME AND EXPENDITURE

Revenue from Operations

Revenue from operation includes: (a) Revenue from Sale of Gases & related products, (b) Other operating income.

Total Income/Revenue

Total income of our company comprises of: (a) Revenue from Operations, (b) Other Income.

Other Income

Other income of our company comprises of Profit on disposal of property, plant and equipment (Net), Liabilities no longer required written back, Reversal of allowances for doubtful debts, Miscellaneous income, Interest income on deposits.

Expenses

Our expenditure comprises of: (a) Cost of materials consumed, (b) Changes in inventories of finished goods, Stock-in-Trade and work in-progress, (c) Employee benefits expense, (d) Finance costs, (e) Depreciation and amortization expenses and (f) Other Expenses.

Cost of Material Consumed

Cost of materials consumed comprises of cost of raw material consumed during the year including purchases and change in inventories of raw material.

Changes in Inventories of Finished Goods

Changes in inventories of finished goods comprises of opening stock of finished good reduced by closing stock to arrive at finished goods sold during the year.

Employee benefits expense

Employee benefits expense includes Salaries and wages including bonus, Contribution to provident and other funds and Workmen and staff welfare expenses.

Finance Costs

Finance cost includes Interest on borrowing, Interest on delayed payment of taxes and bank charges.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses includes depreciation and impairment on tangible assets.

Other Expenses

Other Expenses includes Transportation Cost, Freight and handling charges, Repairs and Maintenance, Support Services cost, Gain on foreign exchange transactions & translations(Net), Corporate social responsibility expenditure, Rent, Rates and taxes, Insurance charges, Allowances for doubtful debts, Bad Debts / Advances written off, Loss on disposal of property, plant and equipment (Net), Travelling expenses, Telephone and communication expenses, Commission on Sales. Auditors Remunerations, Impairment loss on Property, Plant and Equipment's, Legal & Professional Fees, Electricity Charges and Miscellaneous expenses.

Tax Expenses

Our tax expenses comprise of Current Taxes and Deferred Tax.

RESULT OF OPERATIONS

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated summary financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue for the period ending September 2024 and fiscals 2024, 2023 and 2022 respectively.

(₹ in Lakhs)

Particulars	April-September 2024	For The Year Ended March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
INCOME				
Revenue from Operations	14,073.15	23,323.58	22,550.44	18,588.27
As a % of Total Income	99.43%	98.73%	99.75%	99.75%
Increase/Decrease in %	-39.66%	3.43%	21.32%	57.56%
Other Income	80.01	299.05	55.91	45.80
As a % of Total Income	0.57%	1.27%	0.25%	0.25%
Increase/Decrease in %	-73.24%	434.89%	22.08%	-68.23%
Total Income	14,153.16	23,622.63	22,606.35	18,634.07
EXPENDITURE				
Cost of materials consumed	12,370.11	19,467.12	19,557.59	15,141.65
As a % of Total Income	87.40%	82.41%	86.51%	81.26%
Changes in Inventories	(1,786.45)	(791.97)	(595.31)	(1,195.24)
As a % of Total Income	-12.62%	-3.35%	-2.63%	-6.41%
Employee Benefit Expenses	84.84	190.92	143.12	130.76
As a % of Total Income	0.60%	0.81%	0.63%	0.70%
Finance costs	249.17	432.48	108.61	115.01
As a % of Total Income	1.76%	1.83%	0.48%	0.62%
Depreciation and Amortization	57.53	111.06	153.86	178.78
As a % of Total Income	0.41%	0.47%	0.68%	0.96%
Other expenses	930.89	2,086.07	1,941.05	1,256.02
As a % of Total Income	6.58%	8.83%	8.59%	6.74%
Total Expenditure	11,906.09	21,495.68	21,308.93	15,626.98
As a % of Total Income	84.12%	91.00%	94.26%	83.86%
Profit Before Exceptional Items and Tax	2,247.06	2,126.94	1,297.42	3,007.09
As a % of Total Income	15.88%	9.00%	5.74%	16.14%
Exceptional Items	-	-	-	-
As a % of Total Income	-	-	-	-
Extraordinary Items	-	-	-	-
As a % of Total Income	-	-	-	-
Profit Before tax	2,247.06	2,126.94	1,297.42	3,007.09
As a % of Total Income	15.88%	9.00%	5.74%	16.14%
Tax expense :				
(a) Current tax	591.51	648.62	449.76	881.72
(c) Deferred Tax	(0.95)	(0.50)	(127.65)	14.40

Particulars	April-September 2024	For The Year Ended March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Tax Expenses	590.55	648.12	322.12	896.12
As a % of Total Income	4.17%	2.74%	1.42%	4.81%
Profit After Tax	1,656.51	1,478.83	975.30	2,110.97
As a % of Total Income	11.70%	6.26%	4.31%	11.33%
Less: Profit/(Loss) attributable to minority interest				
Profit/(Loss) for the Year	1,656.51	1,478.83	975.30	2,110.97
Other Comprehensive Income				
Re-measurements of the defined benefit plans	0.41	0.54	1.91	3.33
Income tax relating to items that will not be reclassified to profit or loss	(0.10)	(0.16)	(0.56)	(0.97)
Total Comprehensive Income	1,656.82	1,479.21	976.66	2,113.33
Earnings per equity share				
Basic	2.69	2.54	1.77	3.83
Diluted	2.69	2.54	1.77	3.83
Cash Profit	1,714.04	1,589.89	1,129.16	2,289.75
Cash Profit Margin (%)	12.11%	6.73%	4.99%	12.29%

The following is the Income mix in terms of Total Revenue/Income of our Company.

₹ in Lakhs

Particulars	April-September 2024	As at March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Income				
Revenue from Operations	14,073.15	23,323.58	22,550.44	18,588.27
Increase/Decrease in %	-39.66%	3.43%	21.32%	NA
As % of Total Income	99.43%	98.73%	99.75%	99.75%
Other Income	80.01	299.05	55.91	45.80
Increase/Decrease in %	-73.24%	434.89%	22.08%	NA
As % of Total Income	0.57%	1.27%	0.25%	0.25%
Total Income	14,153.16	23,622.63	22,606.35	18,634.07

Our revenue from operations is primarily comprise of income from Sale of Gases and related product and other operating income: -

₹ in Lakhs

Particulars	April-September 2024	As at March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operation				
Sale of Gases & Other Related Products	14,067.27	23,316.30	22,538.14	18,557.95
Increase/Decrease in %	-39.67%	3.45%	21.45%	57.47%
As % of Revenue from Operations	99.96%	99.97%	99.95%	99.84%
Other Operating Income	5.87	7.28	12.30	30.32
Increase/Decrease in %	-19.33%	-40.84%	-59.42%	150.29%
As % of Revenue from Operations	0.04%	0.03%	0.05%	0.16%
Total Revenue from Operation	14,073.15	23,323.58	22,550.44	18,588.27

The following is the table showing constituent of Other Income in terms of value.

₹ in Lakhs

Particulars	April- September 2024	As at March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Other Income:				
Gain on foreign exchange transactions & translations(Net)	72.07	-	-	-
Profit on disposal of property, plant and equipment (Net)	-	-	0.01	-
Liabilities no longer required written back	-	107.48	-	2.68
Reversal of allowances for doubtful debts	-	-	-	41.41
Recovery of Bad Debt	7.83	85.38	-	-
Interest income on deposits	0.11	74.81	48.30	1.70
Miscellaneous income	0.00	31.38	7.60	-
Total Other Income	80.01	299.05	55.91	45.80

The following is the table showing constituent of Other Income in terms of percent of Other Income of our Company.

₹ in lakhs

Particulars	April- September 2024	As at March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Other Income:				
Gain on foreign exchange transactions & translations(Net)	90.08%	0.00%	0.00%	0.00%
Profit on disposal of property, plant and equipment (Net)	0.00%	0.00%	0.01%	0.00%
Liabilities no longer required written back	0.00%	35.94%	0.00%	5.85%
Reversal of allowances for doubtful debts	0.00%	0.00%	0.00%	90.43%
Recovery of Bad Debt	9.78%	28.55%	0.00%	0.00%
Interest income on deposits	0.13%	25.01%	86.39%	3.72%
Miscellaneous income	0.00%	10.49%	13.60%	0.00%
Total Other Income	100.00%	100.00%	100.00%	100.00%

The following is the table showing constituent of expenses in terms of value and in terms of percent of Total Revenue/Income of our Company.

(₹ in Lakhs)

Particulars	April- September 2024	For The Year Ended March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
EXPENDITURE				
Cost of materials consumed	12,370.11	19,467.12	19,557.59	15,141.65
As a % of Total Income	87.40%	82.41%	86.51%	81.26%
Changes in Inventories	(1,786.45)	(791.97)	(595.31)	(1,195.24)
As a % of Total Income	-12.62%	-3.35%	-2.63%	-6.41%
Employee Benefit Expenses	84.84	190.92	143.12	130.76
As a % of Total Income	0.60%	0.81%	0.63%	0.70%
Other Operating Expenses	-	-	-	-

Particulars	April- September 2024	For The Year Ended March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
As a % of Total Income	0.00%	0.00%	0.00%	0.00%
Selling & Distribution Expenses	-	-	-	-
As a % of Total Income	0.00%	0.00%	0.00%	0.00%
Finance costs	249.17	432.48	108.61	115.01
As a % of Total Income	1.76%	1.83%	0.48%	0.62%
Depreciation and Amortization	57.53	111.06	153.86	178.78
As a % of Total Income	0.41%	0.47%	0.68%	0.96%
Other expenses	930.89	2,086.07	1,941.05	1,256.02
As a % of Total Income	6.58%	8.83%	8.59%	6.74%
Total Expenditure	11,906.09	21,495.68	21,308.93	15,626.98
As a % of Total Income	84.12%	91.00%	94.26%	83.86%

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 2024

Revenue from Operations

Revenue from operation for six-month period ending September 2024, reported at ₹ 14,073.15 Lakhs comprise of revenue from sale of gases & related products and other operating income of ₹ 14,067.27 Lakhs and ₹ 5.87 Lakhs respectively. Revenue from operation constitute 99.43% of the Total Income for six-month period ending September 2024.

Total Income

Total income for six-month period ending September 2024, is ₹ 14,153.16 Lakhs which comprises of ₹ 14,073.15 Lakhs and ₹ 80.01 Lakhs from Revenue from operations and Other Income respectively.

Other Income

Other income of our company for six-month period ending September 2024, is ₹ 80.01 Lakhs, comprises of Gain on foreign exchange transactions & translations (Net) of Rs 72.07 lakhs, Recovery of Bad Debt of ₹ 7.83 lakhs and Interest income on deposits of ₹ 0.11 lakhs.

Expenses

Our expenditure for six-month period ending September 2024, is ₹ 11,906.09 Lakhs which is 84.12% of the Total Income. Expenditures comprises of: (a) Cost of materials consumed, (b) Changes in inventories of finished goods, Stock-in-Trade and work in-progress, (c) Employee benefits expense, (d) Finance costs, (e) Depreciation and amortization expenses and (f) Other Expenses.

Cost of Material Consumed

Cost of materials consumed for six-month period ending September 2024, is ₹12,370.11 lakhs and constitutes 87.40% of the Total Income.

Changes in Inventories of Finished Goods

Changes in inventories for six-month period ending September 2024, is ₹(1,786.45) lakhs.

Employee benefits expense

Employee benefits expense for six-month period ending September 2024 is ₹84.84 Lakhs constitute 0.60% of the Total Income and which includes Salaries and wages including bonus of ₹74.76 Lakhs, Contribution to provident and other funds of ₹3.80 Lakhs and Workmen and staff welfare expenses of ₹6.28 Lakhs.

Finance Costs

Finance cost for six-month period ending September 2024 is ₹249.17 Lakhs and constitute 1.76% of the Total income. Finance cost includes Interest on borrowing of ₹225.13 Lakhs, Interest on delayed payment of taxes of ₹4.82 Lakhs and bank charges of ₹19.22 Lakhs.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses for six month period ended September 2024 is ₹57.53 Lakhs which is 0.41% of the Total Income.

Other Expenses

Other Expenses for six month period ended September 2024 is ₹930.89 Lakhs and 6.58% of the Total Income. Major part of other expenses were Freight and handling charges of ₹439.80 lakhs, Allowances for doubtful debts of ₹100.77 lakhs, Legal & Professional Fees of ₹75.52 lakhs, Repairs and Maintenance of ₹41.72 lakhs, Support Services cost of ₹49.68 lakhs, Rent expenses of ₹74.24 lakhs and Miscellaneous expenses of ₹44.80 lakhs, these expenses collectively constitute to 88.79% of the total other expenses.

Profit before Tax (PBT)

Profit before taxes was ₹2,247.06 lakhs for six month period ended September 2024, with profit margin of 15.88%

Tax Expenses

Our tax expenses for six month period ended September 2024 is ₹590.55 lakhs and 4.17% of the Total Income. Tax expenses includes current tax of ₹591.51 Lakhs and Deferred tax of ₹(0.95) Lakhs.

Profit after Tax (PAT)

Profit after Tax for six month period ended September 2024 is ₹1,656.51 Lakhs and Profit margin is 11.70%.

FISCAL 2024 COMPARED to FISCAL 2023

Revenue from Operations

Revenue from operation for fiscal 2024 was reported at ₹23,323.58 lakhs, which has grown by 3.43% and by ₹773.14 lakhs as compared to ₹ 22,550.44 lakhs in fiscal 2023. Under revenue from operations, Sale of Gases & Other Related Products for fiscal 2024 was ₹23,316.30 lakhs which grown by 3.45% and other operating income has declined by 40.84% to ₹7.28 lakhs.

Total Income/Revenue

Total income for fiscal 2024 was ₹23,622.63 lakhs, which increased by ₹1,016.28 lakhs and by 4.50% compared to ₹22,606.35 lakhs in fiscal 2023. Revenue from operations contributed 98.73% or ₹23,323.58 lakhs to the total income while other income was ₹299.05 lakhs and 1.27% of total income.

Other Income

Other income for fiscal 2024 increased by 434.89% to ₹299.05 lakhs compared to ₹55.91 lakhs in fiscal 2023. Constituent of other income was Liabilities no longer required written back of ₹107.48 lakhs, Recovery of Bad debt of ₹85.38 lakhs, interest income on deposits of ₹74.81 lakhs and miscellaneous income of ₹31.38 lakhs. Other income was 1.27% as percent of total income for fiscal 2024.

Expenses

Our expenditure for fiscal 2024 was reported at ₹21,495.68 lakhs increased by ₹186.75 and by 0.88% compared to ₹21,308.93 lakhs for fiscal 2023. Expenditure increased to 91.00% as percent of total income in fiscal 2024 compared to 94.26% of the total income in fiscal 2023. Major part of Expenditure is cost of raw material consumed of ₹19,467.12 lakhs.

Cost of Material Consumed

Cost of materials consumed for fiscal 2024 was reported at ₹19,467.12 Lakhs which has declined by ₹90.47 Lakhs and by 0.46% compared to ₹19,557.59 Lakhs in previous years. Cost of material consumed constitute 82.41% of the total income compared to 86.51% in fiscal 2023.

Changes in Inventories of Finished Goods

Changes in inventories for fiscal 2024 was reported at ₹(791.97) Lakhs compared to ₹(595.31) Lakhs in fiscal 2023. Opening inventory for fiscal 2024 was ₹2,275.66 lakhs, to which company has added ₹3,696.14 lakhs of Inventories of finished goods acquired pursuant to slum sale arrangement, the closing inventory for fiscal 2024 was ₹6,763.77 lakhs.

Employee benefits expense

Employee benefits expense for fiscal 2024 was reported at ₹190.92 Lakhs compared to ₹143.12 Lakhs in fiscal 2023. It has gone up by ₹ 47.80 Lakhs and by 33.40% compared to fiscal 2023. Employee expenses consists of Salaries and wages of ₹163.48 lakhs, contribution to provident and other funds of ₹8.30 lakhs and Workmen and staff welfare expenses of ₹19.14 lakhs. Employee expenses as percent of total income was 0.81% of the total income compared to 0.63% in fiscal 2023.

Finance Costs

Finance cost for fiscal 2024 was reported at ₹432.48 Lakhs compared to ₹108.61 Lakhs in fiscal 2023. It has increased by ₹323.87 Lakhs and by 298.19% compared to previous year. Major part of finance cost was Interest on borrowings of ₹310.34 lakhs which contributed 71.76% of the total finance cost. Increase in interest cost was resulted from increase in cash credit from banks by ₹2,120.00 lakhs and Overdraft increased by ₹1,098.14 lakhs. Finance cost as percent of total income was 1.83% in fiscal 2024.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses for fiscal 2024 was reported at ₹111.06 Lakhs compared to ₹153.86 Lakhs in fiscal 2023. It has fallen by ₹42.80 lakhs and by 27.82% compared to previous year.

Other Expenses

Other Expenses for fiscal 2024 was reported at Rs 2,086.07 Lakhs compared to ₹1,941.05 Lakhs in fiscal 2023. It has increased by ₹145.01 Lakhs and by 7.47%. Other expenses in fiscal 2024, as percent of the total income was 8.83% compared to 8.59% in fiscal 2023. Major part of the other expenses was Freight and handling charges of ₹1,003.90 lakhs, Allowances for doubtful debts of ₹235.61 lakhs, Legal & Professional Fees of ₹159.59 lakhs,

Repairs and Maintenance of ₹143.50 lakhs, Support Services cost of ₹90.46 lakhs, Rent of ₹74.20 lakhs and miscellaneous expense of ₹38.01 lakhs. These major expenses collectively contributed to 83.66% to the total other expenses for fiscal 2024.

Total Expenditure

Total expenditure for fiscal 2024 was ₹21,495.68 lakhs compared to ₹21,308.93 lakhs in fiscal 2023. Total expenditure has increased by ₹186.75 lakhs and by 0.88% from fiscal 2023. Total expenditure as percent of total income in fiscal 2024 was 91.00% compared to 94.26% in fiscal 2023.

Profit Before Tax (PBT)

Profit before tax for fiscal 2024 was ₹2,126.94 lakhs compared to ₹1,297.42 lakhs. Profit before tax increased by ₹829.53 lakhs and by 63.94% compared to last fiscal. PBT for fiscal 2024 has increased due to decrease in total expenditure as percent of Total income from 94.26% in fiscal 2023 to 91.00% in fiscal 2024.

Tax Expenses

Our tax expenses for fiscal 2024 was reported at ₹648.12 Lakhs compared to ₹322.12 Lakhs in previous year. Current tax expenses increased by ₹ 198.86 lakhs in fiscal 2024.

Profit after Tax (PAT)

Profit after Tax for fiscal 2024 was reported at ₹1,478.83 Lakhs compared to ₹975.30 Lakhs in previous year. PAT has increased by ₹503.52 lakhs and by 51.63% compared to fiscal 2023. Profit have increased due to fall in overall expenditure and rise in total revenue.

FISCAL 2023 COMPARED to FISCAL 2022

Revenue from Operations

Revenue from operation for fiscal 2023 was reported at ₹22,550.44 Lakhs comprising revenue from sale of gases and related products and other operating income of ₹22,538.14 Lakhs and ₹12.30 Lakhs respectively. Revenue from operation is 99.75% of the Total Income. Revenue from operations increased by ₹3,962.17 Lakhs and by 21.32 % compared to previous year of ₹18,588.27 Lakhs.

Total Income/Revenue

Total income for fiscal 2023 was reported at ₹22,606.35 Lakhs, comprising of ₹22,550.44 Lakhs and ₹55.91 Lakhs from Revenue from operations and Other Income respectively. Total income increased by ₹3,972.28 Lakhs and by 21.32% compared to ₹18,634.07 Lakhs in fiscal 2022.

Other Income

Other income for fiscal 2023 was reported at ₹55.91 Lakhs which has gone up by 22.08% from ₹45.80 lakhs in fiscal 2022. Other income as percent of total income was 0.25%.

Expenses

Our expenditure for fiscal 2023 was reported at ₹21,309.83 Lakhs which has gone up by ₹5,681.95 Lakhs and by 36.36% from ₹15,626.98 lakhs in previous year. As percent of Total income, expenses has increased from 83.86% in fiscal 2022 to 94.26% in fiscal 2023. This was mainly on account of rise in cost of material consumed and higher other expenses.

Cost of Material Consumed

Cost of materials consumed for fiscal 2023 was reported at ₹19,557.59 Lakhs which has gone up by ₹4,415.94 Lakhs and by 29.16% compared to previous years of ₹15,141.65 Lakhs. Cost of material consumed as percent of total income was 86.51% compared to 81.26% in fiscal 2022.

Changes in Inventories of Finished Goods

Changes in inventories for fiscal 2023 was reported at ₹(595.31) Lakhs compared to ₹(1,195.24) Lakhs in fiscal 2022. In fiscal 2023, opening and closing inventory was Rs 1,680.36 lakhs and Rs 2,275.66 lakhs respectively.

Employee benefits expense

Employee benefits expense for fiscal 2023 was reported at ₹143.12 Lakhs compared to ₹130.76 Lakhs in fiscal 2022. It has gone up by ₹ 12.36 Lakhs and by 9.46% compared to previous year. Major expenses were, Salaries and wages, including bonus of ₹131.58 lakhs, Contribution to provident and other funds of ₹5.62 lakhs and Workmen and staff welfare expenses of ₹5.92 lakhs

Finance Costs

Finance cost for fiscal 2023 was reported at Rs 108.61 Lakhs compared to ₹115.01 Lakhs in fiscal 2022. It has fallen by ₹6.40 Lakhs and by 5.56% compared to previous year. Finance cost as percent of total income was 0.48% in fiscal 2023. Finance cost includes interest on borrowings of ₹72.63 lakhs, Interest on delayed payment of taxes of ₹25.52 lakhs and Bank charges of ₹10.46 lakhs.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses for fiscal 2023 was reported at ₹153.86 Lakhs compared to ₹178.78 Lakhs in fiscal 2022. It has fallen by ₹24.92 Lakhs and by 13.94% compared to previous year.

Other Expenses

Other Expenses for fiscal 2023 was reported at ₹1,941.05 Lakhs compared to ₹1,256.02 Lakhs in fiscal 2022. It has increased by ₹685.03 Lakhs and by 54.54% compared to previous year. As percent of total income it was 8.59% in fiscal 2023. Major part of other expenses were Freight and handling charges of ₹946.79 lakhs, Allowances for doubtful debts of ₹73.79 lakhs, Legal & Professional Fees of Rs 55.50 lakhs, Repairs and Maintenance of ₹126.34 lakhs, Support Services cost of ₹67.83 lakhs, Rent expense of Rs 13.21 lakhs, Gain on foreign exchange transactions & translations (Net) of ₹117.70 lakhs, Impairment loss on Property, Plant and Equipments of ₹90.06 lakhs, Loss on disposal of property, plant and equipment (Net) of ₹274.40 lakhs and Miscellaneous expenses of ₹36.34 lakhs. Collectively these major expenses contributed to 92.84% to the total other expenses.

Total Expenditure

Total expenditure for fiscal 2023 was ₹21,308.93 lakhs compared to ₹15,626.98 lakhs in fiscal 2022. Total expenditure has increased by ₹5,681.95 lakhs and by 36.36% from fiscal 2022. Total expenditure as percent of total income in fiscal 2023 was 94.26% compared to 83.86% in fiscal 2022.

Profit before Tax (PBT)

Profit before tax for fiscal 2023 was ₹1,297.42 lakhs compared to ₹3,007.09 lakhs in fiscal 2022. Profit before tax declined by Rs 1,709.67 lakhs and by 56.85% from fiscal 2022. PBT has declined due to increase in total expenditure as percent of Total income from 83.86% in fiscal 2022 to 94.26% in fiscal 2023.

Tax Expenses

Tax expenses for fiscal 2023 was reported at ₹322.12 Lakhs compared to ₹896.12 Lakhs in previous year. It consist of current taxes of ₹449.76 lakhs and Deferred Tax of ₹(127.65) lakhs.

Profit after Tax (PAT)

Profit after Tax for fiscal 2023 was reported at ₹975.30 Lakhs compared to ₹2,110.97 Lakhs in fiscal 2022. Profit have decreased by ₹1,135.67 lakhs and by 53.80% from fiscal 2022. This fall in profitability was resulted from increase in overall expenses to 94.26% of Total income in fiscal 2023 compared to 83.86% of total income in previous year. Also there was lower realisation on products due to pricing pressure.

Cash Flow Statement

Particulars	April- September 2024	For The Year Ended March 31		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from operating activities	(403.03)	(7,344.79)	(281.14)	798.95
Net cash (used in)/ generated from investing activities	(337.14)	1,213.58	(1,337.91)	(79.65)
Net cash used in financing activities	1,345.08	7,643.64	1,557.82	(815.56)
Net increase in cash and cash equivalents	604.91	1,512.43	(61.23)	(96.27)
Cash & equivalents at the beginning of the period	1,613.63	101.20	162.43	258.70
Cash & equivalents at the end of the period	2,218.54	1,613.63	101.20	162.43

(₹. In Lakhs)

Cash Flows from Operating Activities

For Six month period ending September 2024: Net Cash Generated from Operating Activities for six month period ending September 2024 was negative to the extent of ₹ 403.03 lakhs. Profit before tax of ₹ 2,247.06 lakhs was adjusted of non-cash and non-operational income/expense like Depreciation and amortisation expenses of ₹ 57.53 lakhs, Finance cost of ₹ 225.13 lakhs, Interest Income on deposits of ₹ 0.11 lakhs, Remeasurements of the defined benefit plans of ₹ 0.41 lakhs, Bad Debt / Advances written off of ₹ 0.10 lakhs and Allowances for doubtful debts of ₹ 100.77 lakhs. Operating cash flow before working capital changes was ₹ 2,630.89 lakhs, the same has been adjusted for working capital movement with increase in trade receivables by ₹ 631.66 lakhs, Increase in other current and non-current assets by ₹ 467.08 lakhs, Increase in inventories by ₹ 1,649.90 lakhs, decrease in trade payables by ₹ 330.41 lakhs and Increase in current and non-current liabilities and provisions by ₹ 26.50 lakhs.

Fiscal 2024: During fiscal 2024, profit before tax was ₹ 2,126.94 lakhs, the same has been adjusted for Depreciation and amortisation of ₹ 111.06 lakhs, finance cost of ₹ 310.34 lakhs, Interest on deposits of ₹ 74.81 lakhs, Liabilities no longer required written back of ₹ 107.48 lakhs, Remeasurements of the defined benefit plans of ₹ 0.54 lakhs, Bad Debt / Advances written off of ₹ 48.31 lakhs and Allowances for doubtful debts of ₹ 235.61 lakhs. Operating cash flow before working capital changes was ₹ 2,650.52 lakhs and same has been adjusted for working capital movement with Increase in receivables of ₹ 3,148.04 lakhs, Increase in financial assets of ₹ 3.88 lakhs, decrease in other assets of ₹ 315.73 lakhs, Increase in inventories of ₹ 4,935.78 lakhs, decrease in trade payables of ₹ 1,901.80 lakhs and increase in other liabilities of ₹ 154.65 lakhs. Post adjustment of Taxes of ₹ 476.19 lakhs, Net cash used for operating activities was negative to ₹ 7,344.79 lakhs.

Fiscal 2023: During fiscal 2023, profit before tax was ₹ 1,297.42 lakhs, the same has been adjusted for Depreciation and amortisation of ₹ 153.86 lakhs, Loss on sale of Property Plant and Equipment of ₹ 274.39 lakhs, finance cost of ₹ 72.63 lakhs, Interest on deposits of ₹ 48.30 lakhs, Impairment loss on Property, Plant and Equipments of ₹ 90.06 lakhs, Re-measurements of the defined benefit plans of ₹ 1.91 lakhs, Bad Debt / Advances written off of ₹ 36.28 lakhs and Allowances for doubtful debts of ₹ 73.79 lakhs. Operating cash flow before working capital changes was ₹ 1,952.03 lakhs and same has been adjusted for working capital movement with Increase in receivables of ₹ 1,465.44 lakhs, increase in other non-current assets of ₹ 320.33 lakhs, decrease in inventories of ₹ 143.61 lakhs, decrease in

trade payables of ₹ 547.28 lakhs and increase in other liabilities and provisions of ₹ 1,008.32 lakhs. Post adjustment of income tax of ₹ 1,052.06 lakhs, the Net cash used for operating activities was negative to ₹ 281.14 lakhs.

Fiscal 2022: During fiscal 2022, profit before tax was ₹ 3,007.09 lakhs, the same has been adjusted for Depreciation and amortisation of ₹ 178.78 lakhs, finance cost of ₹ 51.10 lakhs, Interest on deposits of ₹ 1.70 lakhs, Re-measurements of the defined benefit plans of ₹ 3.33 lakhs, Bad Debt / Advances written off of ₹ 15.72 lakhs, and Allowances for doubtful debts of ₹ 41.41 lakhs. Operating cash flow before working capital changes was ₹ 3,212.90 lakhs and same has been adjusted for working capital movement with decrease in receivables of ₹ 6,280.29 lakhs, decrease in other assets of Rs 119.97 lakhs, increase in inventories of Rs 1,054.60 lakhs, decrease in trade payables of ₹ 7,100.17 lakhs and decrease in other liabilities of ₹ 28.56 lakhs. Post adjustment of income tax of ₹ 630.88 lakhs, Net cash generated from operating activities was to ₹ 798.95 lakhs.

Cash Flows from Investment Activities

For Six month period ending September 2024: Net cash used in investing activities was ₹ 337.14 lakhs, during the period, primarily on account of Purchase of property, plant and equipment, capital work in progress and intangible assets of ₹ 365.90 lakhs, Maturity of Fixed Deposits (net) of ₹ 28.65 lakhs and Interest received of ₹ 0.11 lakhs.

Fiscal 2024: Net cash generated from investing activities was ₹ 1,213.58 lakhs during the period. This was primarily on account of Purchase of property, plant and equipment, capital work in progress and intangible assets of ₹ 34.17 lakhs, Acquisition of property, plant and equipment through slum sale arrangements of ₹ 161.63 lakhs, Maturity of Fixed Deposits (net) of ₹ 1,334.58 lakhs and Interest received of ₹ 74.81 lakhs.

Fiscal 2023: Net cash used in investing activities was ₹ 1,337.91 lakhs, during the period. This was primarily on account of Purchase of property, plant and equipment, capital work in progress and intangible assets of ₹ 0.80 lakhs, Proceeds from disposal of property, plant and equipment of ₹ 28.45 lakhs, Investments in Fixed deposits of ₹ 1,413.86 lakhs and interest received of ₹ 48.30 lakhs.

Fiscal 2022: Net cash used in investing activities was ₹ 79.65 lakhs, during the period, funds were used to Purchase of property, plant and equipment, capital work in progress and intangible assets of ₹ 130.39 lakhs, Proceeds from disposal of property, plant and equipment of ₹ 0.02 lakhs, maturity of Fixed Deposits (net) of ₹ 49.05 lakhs and Interest received of ₹ 1.70 lakhs.

Cash Flows from Financing Activities

For Six month period ending September 2024: Net cash generated from financing activities was ₹ 1,345.08 lakhs during the period, this was primarily on account of increase in borrowings by ₹ 1,570.21 lakhs, Interest paid on Borrowings of ₹ 225.13 lakhs.

Fiscal 2024: Net cash generated from financing activities was ₹ 7,643.64 lakhs during the period, this was primarily on account of increase in net borrowings by ₹ 4,707.12 lakhs, Interest paid on Borrowings of ₹ 310.34 lakhs and Issue of Share Capital (including premium for consideration other than cash under Business Transfer arrangement) of ₹ 3,246.86 lakhs.

Fiscal 2023: Net cash generated from financing activities was ₹ 1,557.82 lakhs during the period, this was primarily on account of increase in net borrowings by ₹ 1,630.45 lakhs and Interest paid on Borrowings of ₹ 72.63 lakhs.

Fiscal 2022: Net cash used in financing activities was ₹ 815.56 lakhs during the period, this was primarily on account of funds used to repay net borrowings of ₹ 764.47 lakhs and Interest paid on Borrowings of ₹ 51.10 lakhs.

Indebtedness

For Six month period ending September 2024, our total outstanding borrowings was ₹ 8,104.75 lakhs, which comprises of Cash credit from banks of ₹ 5,983.23 lakhs, Overdraft against Fixed Deposit of ₹ 1,141.88 lakhs and unsecured loans from directors for ₹ 979.64 lakhs.

Contingent Liability

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following are the description of claims and assertions where a potential loss is possible, but not probable.

₹ in lakhs

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Matters with Income Tax Authorities (refer note (i))	56.25	56.25	56.25	-
Claims not acknowledged as debt (refer note (ii))	-	1,043.25	-	-
Outstanding Bank Guarantees (refer note (iii))	129.43	112.16	0.66	3.32
Bills Discounting Facility (refer note (iv))				
- Sanctioned	380.00	-	-	-
- Utilized	78.85	-	-	-

- i) Matters with Income Tax Authorities include demand from tax authorities. The Company has preferred appeal on these matters and the same are pending with various appellate authorities.
- ii) The Company and Zhejiang Sanmei Chemical Industry Co., Ltd ("Sanmei" / "Supplier"), a Chinese firm, have had multiple contracts in the past for supplying gases. In the fiscal year 2021, the Company entered into additional contracts with Sanmei, for the supply of various refrigerants, including R410a, R32, and R407C, to be filled and delivered in returnable ISO-Tanks.
However, there's was a dispute between the company and Sanmei. Therefore, legal representatives of Sanmei escalated the issue by sending a demand notice on December 02, 2021, under the Insolvency and Bankruptcy Code, 2016, demanding \$12,51,290.00 (equivalent to INR 1,048.44 Lakhs revalued using exchange rate prevailing as at September 30, 2024) for the disputed amount allegedly owned by the Company.
In preparing the financial statements, management has re-evaluated contingent liability related Sanmei claim previously disclosed. In accordance with Ind AS 37 Provisions, Contingent Liabilities, and Contingent Assets, a provision has been recognized for disputed trade payables due to an ongoing dispute with a supplier regarding outstanding payments for goods purchased in prior years. This provision represents the estimated outflow of resources that may be required to settle the liability, which is probable and can be reliably estimated based on the best available information.
This provision, grouped under Provision on the Balance Sheet, is distinct from trade payables and is classified as Provisions for Disputed Trade Payables. A potential liability adjustment or reversal may be required based on future developments in the dispute.
Given the ongoing nature of the dispute, the settlement amount is subject to change based on future developments and reassessment of the facts. Management will continue to evaluate the provision periodically, making adjustments as new information becomes available. If circumstances lead to a resolution in favor of the Company - whether through mutual agreement, a binding court or regulatory order, or any other event confirming the liability is not payable - the provision may be revisited and reversed where appropriate, in accordance with applicable Indian Accounting Standards. Such adjustments will be disclosed in the financial statements for the relevant reporting period.
- iii) The Company has been sanctioned non-fund based Performance Bank Gaurantee limit of INR 225 lakhs. The said facility is 100% secured against term deposit of Mr. Shazad Rustomji. Above outstanding bank gaurantees are performance bank guarantees issued by Central Bank of India to customs against the import transactions carried out by the company.
- iv) The Company's bill discounting facility is used with recourse. To the best of knowledge of the management, there are no events occurring after the Balance sheet date that provide additional information materially

affecting the determination of the amount relating to the conditions existing at the Balance Sheet date that requires adjustment to the Assets or Liabilities of the Company.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see “*Financial Statements-Restated Financial Statements-Note.–Related Party Disclosures*”.

Capital Expenditures

During six month period ending September 2024, company has incurred ₹ 365.90 lakhs towards capital expenditure. Company has bought freehold land and ₹ 277.81 lakhs, also, spend on plant and machinery and fixtures and furniture’s was ₹ 85.54 lakhs and ₹ 2.55 lakhs respectively. During the financial year 2024 total capital expenditure of ₹ 195.80 lakhs were incurred. Of the total capital expenditure, company has added ₹ 142.8 lakhs towards Plant and machinery, ₹ 16.11 lakhs towards Furniture and fixtures and ₹ 3.25 lakhs towards office equipment’s totalling to ₹ 161.63 lakhs from Acquisition through business combination. Organic purchase of plant and machinery, office equipments and free hold land was ₹ 1.41 lakhs, ₹ 3.33 lakhs and ₹ .43 lakhs respectively in fiscal 2024. For fiscal 2023, company has disposed fixed assets of ₹ 428.17 lakhs, which includes plant and machinery for ₹ 427.24 lakhs, furniture’s and fixtures for ₹ 0.33 lakhs, vehicles for ₹ 0.20 lakhs and office equipment’s for ₹ 0.40, there was nominal addition to the Furniture and fixtures for ₹ 0.80 lakhs. In fiscal 2022, company has incurred capital expenditure towards buildings of Rs 110.38 lakhs, ₹ 18.60 lakhs for plant and machinery and ₹ 1.41 lakhs towards office equipments, collectively amounting to ₹ 130.39 lakhs.

Quantitative and Qualitative Disclosures about Market Risk

Market Risk:

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

- i) **Foreign currency exchange rate risk:** The Company enter into sale and purchase transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Management monitors the movement in foreign currency and the Company’s exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company takes remedial measures to hedge foreign currency risk through various measures like derivative instruments etc.

The carrying amounts of the Company’s foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year, not hedged by derivative instruments, are as follows:

Particulars	₹ in lakhs			
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Monetary Assets				
US Dollar in India	31.36	411.92	85.20	115.65
Monetary Liabilities				
US Dollar in India	449.89	326.99	1,011.94	1,111.09

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the Company would result in decrease/ increase (net) in the Company’s net profit before tax by approximately:

₹ 41.85 lakhs - September 30, 2024

₹ 8.49 lakhs - March 31, 2024
₹ 92.67 lakhs - March 31, 2023
₹ 99.54 lakhs - March 31, 2022

- ii) **Interest Rate Risk:** Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rate. The company does not have any borrowings, hence there is no exposure to interest rate risk.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of Cash & bank balances, trade receivables, finance receivables and loans and advances. Company regularly reviews the credit limits of the customers and takes action to reduce the risk. Further diverse and large customer bases also reduces the risk. All trade receivables are reviewed and assessed for default on quarterly basis. The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits, which carry no or low market risk. The Company's liquidity position remains strong at:

₹ 1,818.61 lakhs as at September 30, 2024
₹ 1,707.02 lakhs as at March 31, 2024
₹ 1,529.17 lakhs as at March 31, 2023
₹ 176.54 lakhs as at March 31, 2022

Comprising of cash and cash equivalents and other balances with banks.

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date:

₹ in lakhs			
Particulars	Carrying Amount	Undiscounted amount payable within 1 year	Total
As at September 30, 2024			
Non-derivative liabilities			
Borrowings	8,104.75	8,104.75	8,104.75
Trade payables	704.55	704.55	704.55
Other current liabilities	185.56	185.56	185.56
Provisions	1,085.60	4.10	4.10
Current Tax Liabilities (Net)	35.34	35.34	35.34
As at March 31, 2024			
Non-derivative liabilities			
Borrowings	6,534.54	6,534.54	6,534.54
Trade payables	374.15	374.15	374.15
Other current liabilities	166.96	166.96	166.96
Provisions	1,077.70	1,077.70	1,077.70

Particulars	Carrying Amount	Undiscounted amount payable within 1 year	Total
Current Tax Liabilities (Net)	364.28	364.28	364.28
As at March 31, 2023			
Non-derivative liabilities			
Borrowings	1,827.42	1,827.42	1,827.42
Trade payables	2,383.43	2,383.43	2,383.43
Other current liabilities	30.88	30.88	30.88
Provisions	1,059.12	1,059.12	1,059.12
Current Tax Liabilities (Net)	246.75	246.75	246.75
As at March 31, 2022			
Non-derivative liabilities			
Borrowings	196.97	196.97	196.97
Trade payables	2,894.44	2,894.44	2,894.44
Other current liabilities	53.61	-	-
Provisions	28.08	-	-
Current Tax Liabilities (Net)	481.45	-	-

Other Matters

1. Unusual or infrequent events or transactions.

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Other than as described in the section titled “Risk Factors” beginning on page on page 28 of this Red Herring Prospectus to our knowledge there are no known significant economic changes that materially affected or are likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

Other than as described in the section titled “Risk Factors” beginning on page 28 of this Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income.

Our Company’s future costs and revenues will be determined by economic activity & government policies and consumer preferences.

5. The extent to which material decreases in net revenue are due to decrease in sale of our products.

Increase in revenues is by and large linked to increase in volume of business activities carried out by the Company.

6. Any significant dependence on a single or few clients.

Our business is significantly dependent on few customers. Top 10 customers contributed 77.32% % of our total sales for the period ended September 30, 2024.

7. Competitive Conditions.

We face competition from existing and potential competitor. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “Our Business” on page 144 of this Red Herring Prospectus.

Significant Developments after Septemer 30, 2024

Other than as disclosed above and elsewhere in this Red Herring Prospectus, including under “Our Business”, “Our Group Entities” and “Restated financial statement” to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets forth our capitalization derived from our Restated Financial Information as at period ended September 30, 2024, and as adjusted for the Offer. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Financial Statements” and “Risk Factors” on pages 265, 205 and 28, respectively.

Particulars	Pre Issue as at 30.09.2024	Post Issue*
Borrowings		
Short- term	8,104.75	
Long- term (including current maturities) (A)	-	-
Total Borrowings (B)	8,104.75	
Shareholder's fund		
Share capital	6,146.65	-
Reserve and surplus, as restated	7,306.55	-
Total Shareholder's fund (C)	13,453.20	-
Long- term borrowings / equity ratio {(A)/(C)}	-	-
Total borrowings / equity ratio {(B)/(C)}	0.60	

**Subject to finalisation of Basis of Allotment and will be updated in the Prospectus*

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings against/by the Company, its Directors, its Promoters, and Promoter Group and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions of the Company, default in creation of full security as per terms of issue/other liabilities, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V to the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action and / or other proceedings has been taken by SEBI or any stock exchange or any other market regulator or any other jurisdiction or any other authority / court against the Company, its Promoters, and its Directors;

There are no past cases in which penalties have been imposed on the Company, its Promoters, and its Directors, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated;

There are no show-cause notices / claims served on the Company, its Promoters, and its Directors from any statutory authority / revenue authority that would have a material adverse effect on the Company's business;

Further, no outstanding details of any other pending material litigation which are determined to be material as per a policy adopted by the Board ("Material Policy"), in each case involving the Issuer, Promoter, Promoter Group, Group Companies and Subsidiary Company, if any;

"The Company and Zhejiang Sanmei Chemical Industry Co. Ltd ("Sanmei") have previously engaged in contractual agreements for the supply of various gases. In 2021, additional contracts were entered into between the Company and Sanmei for the supply of different refrigerants, such as R410a, R32, R407C, which were to be supplied in returnable ISO-Tanks.

A claim/counter-claim has arisen between the Company and Sanmei, prompting legal action from Sanmei's legal representatives. On December 02, 2021, Sanmei's legal representatives issued a formal notice under the provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC, 2016"), asserting a claim amounting to \$12,51,290.00 against the Company.

The company responded to Sanmei's notice dated December 02, 2021 via email on December 23, 2023 claiming that Sanmei failed to fulfill contractual obligations by not supplying gases as agreed. The company disputes any debt and will defend against any legal action from Sanmei. Following the Company's response, Sanmei's legal representative's sent a rejoinder notice dated January 08, 2024. Further, the Company has also received a complaint on SCORES dated June 21, 2024 and the Company has duly replied to the same vide letter dated June 27, 2024.

Further, Sanmei's legal representatives have also addressed notices to the Company demanding payment of USD4,11,150.00 (US Dollars Four Lakh Eleven Thousand One Hundred Fifty Only) from the Company towards delay in returning certain containers which claim is challenged by the Company.

It is to be noted that despite the exchange of communications between the parties, no formal insolvency proceedings have been initiated against the Company as on the current date no proceedings are filed in any court of law or before any arbitral tribunal in relation to the above by Sanmei."

The Board, in its meeting held on 16th October, 2023 has considered and adopted a policy of materiality for identification of material litigation involving Company, Directors, Promoter, Promoter Group, Group Companies and Subsidiary Company;

In terms of the Materiality Policy, all pending litigation involving the Issuer, Directors, Promoters, Promoter Group, Group Companies and Subsidiary Company, other than the criminal proceedings, action by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five Fiscals including outstanding action and tax matters would be considered as 'material 'if:

- a. the monetary amount of claim by or against the Company, Subsidiary, Promoters and Directors in any such pending litigation is individually in excess of 10% of the net worth of the Company as per the latest period of Restated Financial Information or 10% of the revenue of the Company (whichever is lower) as per the latest annual restated financial statements of the Company,
- b. dues to creditors exceeds 5% of the total trade payables of the Company as per the latest restated financial statements of the Company,
- c. any such litigation wherein the monetary liability is not quantifiable but which is expected to be material from the perspective of the Company's business, operations, prospects or reputation.

Except as stated in this section, there are no outstanding litigations as of the date of the offer document.

There are no outstanding litigations as of the date of the offer document;

The disclosure made in the offer document in the sections titled "Outstanding Litigation and Material Developments" and "Government and Other Statutory Approvals" are in accordance with Chapter IX read with Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable legal requirements (Chapters are attached herewith);

None of the Company, any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Securities and Exchange Board of India (the "Board") or any securities market regulator of any other jurisdiction or any other authority / court;

None of the Promoters, Promoter Group, or Directors was or also is a promoter, director or person in control of any company which is debarred from accessing the capital market under any order or direction made by the Board or any securities market regulator of any other jurisdiction or any other authority / court;

None of the promoters, promoter group, directors, or person in control of the Issuer is a fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018; and

The Company is not in the list of willful defaulters published by the Reserve Bank of India.

1. LITIGATION RELATING TO THE COMPANY

Cases filed by the Company

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (₹. in lakhs)	Current Status
NIL					

Cases filed against the Company

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (₹. in lakhs)	Current Status
1.	Stallion India Fluorochemicals Private Limited	Directorate General of Trade Remedies Case No. 6/33/2020-DGTR	Anti-Dumping	Nil*	Ongoing Investigation
2.	Stallion India Fluorochemicals Private Limited	Directorate General of Trade Remedies Case No. 6/34/2020-DGTR and Case No. AD (01)-2912020	Anti-Dumping	Nil*	Ongoing Investigation

Director General of Trade Remedies ("DGTR") has initiated anti-dumping investigation concerning imports of Hydrofluorocarbon (HFC) Component R-32 from China PR – Reg. on the basis of application filed by SRF Limited. Since the Company being one of the importer, was considered as interested party. The Company represented that,

after receiving notice from DGTR being an interested party to participate in the investigation process for anti-dumping, the Company had subsequently decided to withdraw themselves from the proceedings.

1. Case No. 6/33/2020-DGTR

The proceedings have been initiated against the Company by the Directorate General of Trade Remedies, Ministry of Commerce and Industry, Government of India (“**Authority**”) under the Customs Tariff Act, 1975 and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and Determination of Injury) Rules, 1995 on the basis on an application received from SRF Limited requesting the initiation of anti-dumping investigation on imports of “Hydrofluorocarbon (HFC) Component R-32” imported from China PR. The Authority by virtue of its order dated 23rd September 2021 concluded that the domestic industry had suffered material injury and imposed anti-dumping duty on the producers. The company and the promoter have confirmed that DGTR has imposed anti-dumping duty and accordingly they have made adjustments in their costing and disclosed the same in their audited accounts for the financial year. 2021-22 and 2022-23 and further confirm that no appeal has been filed against the final order of DGTR.

Government of India Ministry of Finance (Department of Revenue) vide its notification no. 75/2021-Customs (ADD) dated 21st December, 2021 has on basis of the final findings by the designated authority vide notification File No. **6/33/2020-DGTR**, dated 23rd September, 2021 published in the Gazette of India, Extraordinary, Part I, Section I, dated the 24th June, 2021 has come to the conclusion that-

- i. the product under consideration has been exported at a price below normal value, thus resulting in dumping;
- ii. the domestic industry has suffered material injury;
- iii. there is causal link between dumping of product under consideration and injury to the domestic industry,

and has recommended imposition of anti-dumping duty on imports of the subject goods, originating in, or exported from the subject countries and imported into India, in order to remove injury to the domestic industry and has levied anti-dumping duty.

The anti-dumping duty imposed under this notification was levied for a period of 5 years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be payable in India currency.

2. Case No. 6/34/2020-DGTR and Case No. AD (01)-2912020

The proceedings have been initiated against the Company by the Authority under the Customs Tariff Act, 1975 and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and Determination of Injury) Rules, 1995 on the basis on an application received from SRF Limited requesting the initiation of anti-dumping investigation on imports of “Hydrofluorocarbon (HFC) Blends” imported from China PR. The Authority by virtue of its order dated 27th September 2021 concluded that the domestic industry had suffered material injury and imposed anti-dumping duty on the producers. The company and the promoter have confirmed that DGTR has imposed anti-dumping duty and accordingly they have made adjustments in their costing and disclosed the same in their audited accounts for the financial year 2021-22 and 2022-23 and further confirm that no appeal has been filed against the final order of DGTR

Government of India Ministry of Finance (Department of Revenue) vide its notification no. 76/2021-Customs (ADD) dated 22nd December, 2021 has on basis of the final findings by the designated authority vide notification File No. **06/34/2020-DGTR**, dated 27th September, 2021 published in the Gazette of India, Extraordinary, Part I, Section I, dated the 27th September, 2021 has come to the conclusion that-

- i. the product under consideration has been exported at a price below normal value, thus resulting in dumping;
- ii. the domestic industry has suffered material injury;
- iii. there is causal link between dumping of product under consideration and injury to the domestic industry,

and has recommended imposition of anti-dumping duty on imports of the subject goods, originating in, or exported from the subject countries and imported into India, in order to remove injury to the domestic industry and has levied anti-dumping duty.

The anti-dumping duty imposed under this notification was levied for a period of 5 years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be payable in India currency.

**Nil in this case means where no specific amount of penalty is levied to a particular party/ies and it was also recommendatory in nature*

2. LITIGATION INVOLVING OUR PROMOTER

Cases filed by the Promoter

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (Rs. In Lakhs)	Current Status
1.	Shazad Sheriar Rustomji and Anr. v. Nusli Neville Wadia and 16 Ors.	Bombay High Court Case No. S/817/2016, NMS/2468/2016, CHS/816/2018, NMS/808/2018 & NMS/906/2019	Code of Civil Procedure, 1908	Nil*	For Direction
2.	Manisha Shazad Rustomji v. Poonam Bali Gidwani (Deceased)	Bombay High Court Case No. TP/172/2020 with WILL/67/2020 in TP/172/2020	Indian Succession Act	--	For Dismissal
3.	Manisha Shazad Rustomji v. Kumar Hassanand Chabbria	Bombay High Court Case No. TS/150/2024 in main matter TP/172/2020	Indian Succession Act	-	Pre-Admission
4.	Manisha Shazad Rustomji v. Nusli Neville Wadia and 16 Ors.	Bombay High Court Case No. S/817/2016, NMS/2468/2016, CHS/816/2018 & NMS/906/2019	Code of Civil Procedure, 1908	Nil**	For Direction

1. Mr. Shazad Sheriar Rustomji with his wife Mrs. Manisha Shazad Rustomji has filed suit before the Hon'ble High Court of Bombay Judicature against Nusli Neville Wadia and 16 others. The Promoter has represented that he and his wife Mrs. Manisha Shazad Rustomji jointly owned residential premises in the building known as Serenity Heights situated at Chincholi Bunder Road, Mindspace, Malad (West), Mumbai (said "Building"). The said building was constructed on a land parcel which was owned by Nusli Neville Wadia and was developed by K. Raheja (hereinafter referred to as the "Project"). In the said project the flats were sold in 20:80 ratio where Nusli Neville Wadia was to receive 20% of the sale proceeds and K. Raheja was to receive 80% of the sale proceeds. In the said project the land owner and the developer were supposed to form a proper functioning Condominium where Nusli Neville Wadia would provide the registered Condominium and K. Raheja would provide Deed of Apartment and they would jointly provide the Conveyance.

Nusli Neville Wadia and K.Raheja went into litigation and Nusli Neville Wadia thereafter refused to provide Condominium and Conveyance. K.Raheja later provided the Condominium which under the relevant law was required to be provided by the land owner i.e. Nusli Neville Wadia.

As a result, Mr. Shazad Rustomji and Mrs. Manisha Rustomji (being the joint owner of the flat) filed a petition before the Hon'ble High Court of Bombay Judicature to direct Nusli Neville Wadia and K.Raheja to fulfil their part of agreement for which they have received considerations from the respective flat purchasers.

** In this case since the suit was filed only for purpose of issuing of direction to developer to register Condominium for flat purchasers and no monetary damages was claimed hence, it is mentioned as nil.*

2. Ms. Poonam Bali Gidwani a deceased aunt (Masi) of Mrs. Manisha Shazad Rustomji, has left behind her a WILL transferring all her assets in favor of Mrs. Manisha Shazad Rustomji. In order to execute the WILL and claim the said assets as prescribed in the WILL, Mrs. Manisha Shazad Rustomji has filed Testamentary Petition by way of Letters of Administration with WILL to obtain Probate on WILL of her deceased aunt (Masi) Ms. Poonam Bali Gidwani (mother's sister) before the Hon'ble High Court of Bombay Judicature On the last occasion, the Hon'ble Bombay High Court had kept the matter for dismissal under Rule 435 of Bombay High Court Original Side Rules.

Rule 435 of Bombay High Court (Original Side) Rules, 1980

Disposal of petitions for non-prosecution – All testamentary petitions, in which grants or certificates have not been issued owing to non-prosecution of the petitions for one year after the petitions have been filed, shall be treated as disposed of and no action shall be taken on such petitions, unless an order is obtained from the Judge in Chambers giving permission to the petitioner to proceed with the petition already filed.

Furtherance in this petition, Administration Bond was filed before the Hon'ble High Court of Bombay Judicature on 09.10.2023 (Source: case status section on the website on High Court of Bombay).

Further, on 05.09.2022, Mr. Kumar Chhabria uncle of Mrs. Manisha Shazad Rustomji, has challenged the said WILL by filing Caveat before the Hon'ble High Court of Bombay Judicature which is registered under Case No. CTS/28297/2022. Since, then no further action is taken against the said Caveat and is still pending and if no actions are taken by the Caveator then the Court may dismiss the application under Rule 435 of the Bombay High Court (Original Side) Rules, 1980.

Until the Caveat filed by Mr. Kumar Chhabria is not disposed off, no further proceedings will be held in the Testamentary Petition.

3. This is in furtherance of the Testamentary Petition referenced in serial no. 2 above, wherein Mrs. Manisha Shazad Rustomji has filed Testamentary Petition No. TP/172/2020, it is hereby noted that Mr. Kumar Chhabria has entered a Caveat contesting the validity of the WILL under the aforementioned Testamentary Petition. It is well-established in law that the filing of a Caveat in a Testamentary Petition results in the conversion of the Testamentary Petition into a Suit, unless an application is filed seeking the setting aside or challenge of the Caveat.
4. Mrs. Manisha Shazad Rustomji has represented that she jointly with Mr. Shazad Sheriar Rustomji owns residential premises in the building known as Serenity Heights situated at Chincholi Bunder Road, Mindspace, Malad (West), Mumbai (said "Building"). Since, she being the joint owner, she along with the Promoter has filed suit before the Hon'ble High Court of Bombay Judicature against Nusli Neville Wadi and 16 others. The said building was constructed on a land parcel which was owned by Nusli Neville Wadia and was developed by K. Raheja (hereinafter referred to as the "Project"). In the said project the flats were sold in 20:80 ratio where Nusli Neville Wadia was to receive 20% of the sale proceeds and K. Raheja was to receive 80% of the sale proceeds. In the said project the land owner and the developer were supposed to form a proper functioning Condominium where Nusli Neville Wadia would provide the registered Condominium and K. Raheja would provide Deed of Apartment and they would jointly provide the Conveyance.

Nusli Neville Wadia and K.Raheja went into litigation and Nusli Neville Wadia thereafter refused to provide Condominium and Conveyance. K.Raheja later provided the Condominium which under the relevant law was required to be provided by the land owner i.e. Nusli Neville Wadia.

As a result, Mr. Shazad Rustomji and Mrs. Manisha Rustomji (being the joint owner of the flat) filed a petition before the Hon'ble High Court of Bombay Judicature to direct Nusli Neville Wadia and K.Raheja to fulfil their part of agreement for which they have received considerations from the respective flat purchasers.

As the case is still pending, the members of Serenity Heights including the promoter and his wife Mrs. Manisha Rustomji accepted the Condominium provided by K. Raheja and there been nothing left in the matter the Promoter and Mrs. Manisha Shazad Rustomji decided to withdraw the cases filed as detailed in the above given table and has instructed their attorney to file application for withdrawal of the suit.

***This application is only for purpose for obtaining probate on WILL and is not a suit filed against any party and no amount is been claimed hence, it is been specified as nil.*

Cases filed against the Promoter

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (Rs. In Lakhs)	Current Status
1.	Kumar Chhabria v. Manisha Shazad Rustomji (Org. Pet.) Poonam Bali Gidwani (Deceased)	Bombay High Court Case No. CTS/28297/2022 (Stamp)	Indian Succession Act	Nil*	Pre-Admission

1. Case No. CTS/28297/2022 (Stamp)

Case No. CTS/28297/2022 is a Caveat Application filed by Mr. Kumar Chhabria before the Hon'ble High Court of Bombay Judicature. Mr. Kumar Chhabria is an uncle (Mama) of Mrs. Manisha Shazad Rustomji. He has filed this Caveat before the Hon'ble High Court of Bombay Judicature, challenging the WILL filed with Testamentary Petition filed by Mrs. Manisha Shazad Rustomji under Case No. TP/172/2020 with WILL/67/2020 in TP/172/2020. Mr. Kumar Chhabria has challenged the WILL alleging it to be forged and fabricated. As on today no hearing is held subsequent to its filing.

**It is a Caveat where the grievance is only challenging the authenticity of the WILL, hence nil..*

3. LITIGATIONS RELATING TO THE PROMOTER GROUP:

Cases filed by the Promoter Group

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (Rs. In Lakhs)	Current Status
NIL					

Cases filed against the Promoter Group

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (Rs. In Lakhs)	Current Status
NIL					

4. LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTER OF THE COMPANY

Cases filed by the Directors

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (₹. in lakhs)	Current Status
NIL					

Cases filed against the Directors

S. No	Parties	Court/Case no./Judge	Case Details	Amount involved (₹. in lakhs)	Current Status
NIL					

5. Outstanding actions by Statutory or Regulatory Authorities against our Directors

As on the date of this Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

6. Tax Proceedings

Except as disclosed below, there are no outstanding tax proceedings involving our Company, Directors or Promoter:

(₹. in lakhs)		
Nature of cases	Number of Cases	Amount involved
Company		
Direct Tax	4	69.58
Indirect Tax	-	-
Directors		
Direct Tax*	3	7.36
Indirect Tax	-	-
Promoter		
Direct Tax#	4	46.12
Indirect Tax	-	-
Total	11	123.06

Litigation involving our Company

Direct Tax

Nature of Dues	Due Amount (Rs. in lakhs)	Period to which due relates	Forum where dispute is pending
Income Tax	57.13	A.Y 2014-15	First appellate

Demand reference number	Name of the Statute	Period to which dues relates (Assessment year)	Nature of Dues	Outstanding Demand (incl interest) (Rs. in Lakhs)
2010200751078306393T	Income Tax Act, 1961	2013	Income Tax	2.16
2010200451078306373T	Income Tax Act, 1961	2014	Income Tax	8.37
2010200851085025616T	Income Tax Act, 1961	2017	Income Tax	1.92

Below are the details of pending tax demands involving the Directors of the company, specifying the number of demands pending and the total amount involved:

Director Name: Virendra Mehta*

(₹. in Lakhs)				
Demand reference number	Name of the Statute	Period to which dues relates (Assessment year)	Nature of Dues	Outstanding Demand (incl interest)
2010200751078301762T	Income Tax Act, 1961	2015	Income Tax	0.18

Director Name: Rajagopal Neelacantan

(Rs. in Lakhs)

Demand reference number	Name of the Statute	Period to which dues relates (Assessment year)	Nature of Dues	Outstanding Demand (incl interest)
2010200910052276325T	Income Tax Act, 1961	2009	Income Tax	0.63
2010200751078301762T	Income Tax Act, 1961	2007	Income Tax	6.55

#Below are the details of pending tax demands involving the Promoter of the company, specifying the number of demands pending and the total amount involved:

Shazad Sherier Rustomji

(₹. in Lakhs)

Demand reference number	Name of the Statute	Period to which dues relates (Assessment year)	Nature of Dues	Outstanding Demand (incl interest)
2010200751078306393T	Income Tax Act, 1961	2007	Income Tax	26.35
2010200451078306373T	Income Tax Act, 1961	2004	Income Tax	2.12
2010200851085025616T	Income Tax Act, 1961	2008	Income Tax	10.81
2013201110019685526T	Income Tax Act, 1961	2011	Income Tax	6.84

Outstanding dues to Creditors

Our Board has, pursuant to its resolution dated October 16, 2023 approved that all creditors of our Company to whom the amount due by our Company exceeds 5.00% of the total trade payables of our Company as on latest restated financial statement of our Company shall be considered "material" creditors of our Company

The outstanding dues owed to small scale undertakings and such other material creditors, separately, giving details of number of cases and amounts for all such dues for September 30, 2024 is set out below:

Particulars	Number of cases	Amount (₹. in lakhs)
Material Dues to Creditors	2	536.64
Outstanding dues to MSMEs	4	1.27
Outstanding dues to other creditors	39	166.64
Total	45	704.55

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company, at www.stallionfluorochemicals.com.

It is clarified that information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.stallionfluorochemicals.com would be doing so at their own risk.

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

Except as disclosed elsewhere in restated financial statements of the Company, there have been no material developments that have occurred after the last Balance Sheet Date duly signed by the Board of Directors.

MATERIAL DEVELOPMENTS

Except as stated in the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 265 of this Red Herring Prospectus, no material developments have taken place since the date of the last audited balance sheet, that would materially adversely affect the performance of Prospectus of the Company. In accordance with SEBI requirements, our Company and the Book Running Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the Emerge Platform of NSE.

We certify that except as stated herein above:

- a. There are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
- b. There are no cases of litigation pending against our Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of our Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoters/ Directors in their personal capacity.
- g. The Company, its Promoters and other Companies with which promoter are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.

The Company, its Promoters and other Companies in which Directors, Promoters are interested has not been declared as wilful defaulters.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, consents, registrations, and permits issued by relevant regulatory authorities under various rules and regulations. Set out below is an indicative list of all material approvals, licenses, consents, registrations, and permits obtained by our Company as applicable, which are necessary for undertaking our business. In view of such approvals, our Company can undertake the Offer and its current business activities. Additionally, unless otherwise stated, these material approvals, licenses, consents, registrations, and permits are valid as on the date of this Red Herring Prospectus. Certain material approvals, licenses, consents, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired material approvals, licenses, consents, registrations, and permits are submitted in accordance with applicable requirements and procedures. For further details in connection with the regulatory and legal framework within which we operate, see the section titled “Key Regulations and Policies in India” on page 170. For risks associated with the approvals in relation to the business operations, see “Risk Factors on page 28 – “We are required to obtain, renew or maintain certain material statutory and regulatory permits and approvals required to operate our business, and if we fail to do so in a timely manner or at all, we may be unable to fully or partially operate our business and our results of operations may be adversely affected.” and for incorporation details of our Company, see “History and Certain Corporate Matters” on page 179.

I. Incorporation details

1. Certificate of incorporation dated September 05, 2002 was issued to our Company by the ROC-Mumbai.
2. Fresh certificate of incorporation dated October 05, 2023 consequent to conversion into a public limited company was issued to our Company by the ROC-Mumbai.
3. The CIN of our Company is U51410MH2002PLC137076.

II. Material approvals in relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures- Authority for the Offer” on page 311

III. Material approvals in relation to the business operations of our Company

A. Material approvals in relation to business operations

The material approvals in relation to our plants at (i) Khalapur; (ii) Ghiloth; (iii) Manesar; and (iv) Panvel are set forth below:

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
Khalapur					
1.	MPCB (Maharashtra Pollution Control Board) Consent received to operate under Red category.	Maharashtra Pollution Control Board	0000150702/CR/2301001716	January 19, 2023	December 31, 2027
2.	License under the Factories Act, 1948.	Directorate of Industrial Safety & Health	322002011100000	September 30, 2019	December 31, 2024
3.	Certificate for Petroleum & Explosives Safety Organization	Chief Controller of Explosives	G/HO/MH/05/676 & G/HO/MH/06/697 (G31748)	November 07, 2022	September 30, 2024
4.	Certificate for Petroleum & Explosives Safety Organization	Chief Controller of Explosives	S/HO/MH/03/1785 (S55006)	October 27, 2022	September 30, 2027

5.	Certificate for Petroleum & Explosives Safety Organization	Chief Controller of Explosives	S/HO/MH/03/2217(S75299)	September 20, 2023	September 30, 2028
Ghiloth					
1.	Certificate for Petroleum & Explosives Safety Organization	Chief Controller of Explosives	G/HO/RJ/05/303 & G/HO/RJ/06/283(G54111)	September 17, 2020	September 30, 2025
2.			S/HO/RJ/03/431(S93369)	September 18, 2020	
3.	License under the Factories Act, 1948.	Chief Inspector of Factories and Boilers	RJ/35814	January 29, 2024	March 31, 2025
4.	Certificate from State Pollution Control Board	Rajasthan State Pollution Control Board	Unit Id : 130787	March 05, 2024	November 30, 2028
Manesar					
1.	License under the Factories Act, 1948.	Chief Inspector of Haryana, Chandigarh	GGN-Online-GGN-S-437	April 30, 2024	December 31, 2028
2.	Certificate for Petroleum & Explosives Safety Organization*	Chief Controller of Explosives	G/HO/HN/05/147 & G/HO/HN/06/141(G22643)	October 06, 2023	September 30, 2029
3.	Haryana State Pollution Control Board	Regional Officer, Gurgaon south	No. HSPCB/Consent/ : 313096624GUSOCTE69595844 & No. HSPCB/Consent/ : 313096624GUSOCTO58795448	July 29, 2024	July 28, 2029
			November 07, 2024	September 30, 2024	
Panvel					
1.	MPCB (Maharashtra Pollution Control Board) Consent received to operate under Red category.*	Maharashtra Pollution Control Board	0000162483/CR/2304000482	April 10, 2023	February 28, 2027
2.	License under the Factories Act, 1948.	Directorate of Industrial Safety & Health	122002011100371	September 30, 2019	December 31, 2024
3.	Certificate for Petroleum & Explosives Safety Organization*	Chief Controller of Explosives	G/HO/MH/05/221 & G/HO/MH/06/203(G1065)	September 21, 2023	September 30, 2029
4.			S/HO/MH/03/1260(S35879)	September 30, 2019	September 30, 2024
5.			S/HO/MH/03/693(S968)	September 13, 2022	September 30, 2027

*The Company has acquired Stallion Enterprises (Sole proprietorship of Shazad Sheriar Rustomji) situated in Panvel & Manesar on slump sale basis pursuant to Slump Sale Agreement dated September 30, 2023. Our company has made the applications to the respective authorities for registering all the Certificates/licenses/consent including PESO & Pollution control Board consent in the name of Stallion India Fluorochemicals Limited.

B. Tax related approvals

1. Our PAN is AAGCS6142L.
2. Our TAN is MUMS69150E.
3. Our GST registration are as follows:

Sr. No.	Factory/warehouse situated at	State	GST Number
1.	Khalapur/Panvel	Maharashtra	27AAGCS6142L1Z0
2.	Ghiloth	Rajasthan	08AAGCS6142L1Z0
3.	Manesar	Haryana	06AAGCS6142L1Z4
4.	Chennai#	Tamil Nadu	33AACPR9139D1ZR

#currently the company is in the process of making application with GST authorities for cancellation of GST registration.

4. Our Professional Tax Registration are as follows:

Sr. No.	Particulars	Provident Fund Code Number
1.	Certificate of Registration under sub-section (1) of section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	27490868944P

C. Labour related approvals

1. Certificate of registration issued by the Employees' Provident Fund Organization, India under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.


Sr. No.	Factory situated at	State	Provident Fund Code Number
1.	Khalapur	Maharashtra	THVSH1575214000

2. Certificate of registration issued by Employees State Insurance Corporation, India under the Employees State Insurance Act, 1948.

Sr. No.	Factory situated at	State	Provident Fund Code Number
1.	Khalapur	Maharashtra	34000348070001099

D. Intellectual Property Registrations

As on the date of this Red Herring Prospectus, the Company has the following trademarks registered:

Sr. No.	Name of the IPR registration/ license*	Issuing Authority	Whether registered/ applied for/ unregistered	Trademark Number	Date of registration/ application	Class
1.		Registrar of Trade Marks.	Registered	2125853	August 01, 2016	01

**The ownership of the trademark lies with our Promoter, Shazad Sheriar Rustomji. For further details, please refer "Our Business" and "Risk Factors" on pages 144 and 28 respectively.*

IV. Material approvals applied for and pending in relation to the business operations of our Company

Panvel Facility – Since the Company acquired the Panvel facility on Slum sale basis, it has made application with the following authorities for transfer of certificate from Stallion Enterprise to the Company.

Sr. no.	Description	Application date
1.	Maharashtra Pollution Control Board	January 17, 2024
2.	Certificate for Petroleum & Explosives Safety Organization	February 10, 2024

V. Material approvals in relation to the business operations of our Company which are expired and for which no application has been made.

There are no material approvals in relation to the business operations of our Company which are expired and for which no application has been made.

Other Registration and Certificates of the Company

1. Legal Entity Identifier Code issued by Legal Entity Identifier India Limited: 984500B14436A38CDA57
2. Importer-Exporter Code issued by the Department of Commerce, Ministry of Commerce & Industry, Government of India- IEC: 0307041395
3. Shop and Establishment License for Registered Office: Reg. No. 890311131/PS ward/COMMERCIAL II
4. Udyog Aadhar Registration Certificate: MH18B0020642
5. Udyam Registration Certificate: UDYAM-MH-18-0013424
6. ISO Certificate Registration Number: 36374/18/AN

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated November 16, 2023 and the Fresh Issue has been authorized pursuant to a special resolution of our Shareholders dated November 30, 2023.

Our Board has approved this Red Herring Prospectus pursuant to its resolution dated March 20, 2024.

Our Board has taken on record the participation of the Promoter Selling Shareholder pursuant to the resolution dated December 05, 2023.

The Promoter Selling Shareholder have consented to participate in the Offer for Sale by way of their consent letter as outlined in the table below:

Name of the Promoter Selling Shareholder	Number of Offered Shares	Date of consent	Date of board resolution
Shazad Sheriar Rustomji	43,02,656 Equity Shares	November 30, 2023	December 05, 2023
Total	43,02,656 Equity Shares		

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to each letters dated July 05, 2024.

The Promoter Selling Shareholder confirms that it is in compliance with Regulation 8 of the SEBI ICDR Regulations, 2018 and it has held the Offered Shares for a period of at least one year prior to the date of filing of the Red Herring Prospectus.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoters, Promoter Group, Directors, Promoter Selling Shareholder, the persons in control of our Company and the persons in control of our Promoter are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoter, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI or as a fraudulent borrower (as defined in the SEBI ICDR Regulations).

Our Promoters or Directors have not been declared as fugitive economic offenders.

Directors associated with securities market

None of our Directors are, in any manner, associated with the securities market.

Further, there is no outstanding action initiated by SEBI against any of the Directors of our Company in the past five years preceding the date of this Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of Promoter Group and the Promoter Selling Shareholder are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, in relation to our Company, as on the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹3.00 crores, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which more than 50% are held in monetary assets; further the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project;
- Our Company has an average operating profit of at least ₹15.00 crores, calculated on a restated basis, during each of the preceding three years (of 12 months each), with operating profit earned in each of these preceding three years;
- Our Company has a net worth of at least ₹1.00 crores in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the immediately preceding year and this year. Our Company's operating profit, net worth and net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets are derived from the Restated Financial Information included in this Red Herring Prospectus as at, and for the last three Fiscals are set forth below:

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	As at September 30, 2023	March 31		
		2024	2023	2022
Restated Net tangible assets ⁽¹⁾	13,378.02	11,722.16	6,995.71	6,146.15
Restated Monetary assets ⁽²⁾	9,921.67	8,814.62	5,768.77	3,024.48
Monetary assets as a % of net tangible assets (%), as restated	74.16%	75.20%	82.46%	49.21%
Pre-Tax operating profit, as restated ⁽³⁾	2,247.06	2,126.94	1,297.42	3,007.09
Net worth ⁽⁴⁾ as restated	13,453.20	11,796.39	7,070.32	6,093.66

- 1) 'Net Tangible Assets' has been defined as total physical assets of a company minus all intangible assets and liabilities.
- 2) 'Monetary Assets' comprises Cash & Cash Equivalent, Bank Balances other than Cash & Cash Equivalent, Trade Receivables and Other Financial Assets.
- 3) 'Pre – tax Operating Profits' has been calculated as Restated Profit for the period (+) Tax Expenses.
- 4) 'Net Worth' has been defined as aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per restated financials.

Our Company had an average pre-tax operating profit of ₹ 2,143.82 lakhs during the Fiscals 2024, 2023, and 2022 on a restated basis.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- (i) Our Company, the Promoters, members of the Promoter Group, the Promoter Selling Shareholder and our Directors are not debarred from accessing the capital markets by SEBI;
- (ii) The companies with which our Promoters or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;
- (iii) Neither our Company, nor our Promoters or Directors have been identified as a Wilful Defaulter or Fraudulent Borrower (as defined in the SEBI ICDR Regulations);
- (iv) None of our Promoter, to the extent applicable, and Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

- (v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;
- (vi) Our Company, along with the registrar to the Company, has entered into tripartite agreements dated November 17, 2023 and December 04, 2023, with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
- (vii) The Equity Shares of our Company held by our Promoters have been dematerialized; and
- (viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares existing as on the date of filing of this Red Herring Prospectus
- (ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, as the entire objects of the Offer are proposed to be financed from the Offer proceeds.

Our Company shall not make an Allotment if the number or prospective Allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

Further, our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The Promoter Selling Shareholder confirms that the Equity Shares offered by it as part of the Offer for Sale have been held by it in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS RED HERRING PROSPECTUS. THE BRLM, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 20, 2024, IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE

RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THIS RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of the Companies Act.

Disclaimer from our Company, the Promoter Selling Shareholder, our Directors, BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made in relation to our Company or the Offer other than those confirmed by them in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. The Promoter Selling Shareholder accepts no responsibility for any statements made other than those specifically made by the Promoter Selling Shareholder in relation to itself and the Offered Shares. Except when specifically directed in this Red Herring Prospectus, anyone placing reliance on any other source of information, including our Company's website www.ilshospitals.com, or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Promoter Selling Shareholder and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centers or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder, the BRLM, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholder, and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, and their respective directors, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction other than in India to any person to whom it is unlawful to make an offer or invitation in

such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus will be filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Promoter Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is set forth below;

“BSE Limited (“The Exchange”) has given vide its letter dated July 05, 2024, permission to this Company to use the Exchange’s name in this offer documents as one of the stock exchanges on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-

- a) Warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document; or*
- b) Warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or*
- c) Take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company.*

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange

whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the NSE. The disclaimer clause as intimated by the NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is set forth below:-

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3639 dated July 05, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on the Stock Exchanges. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE Limited will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such time prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

The Promoter Selling Shareholder undertakes to provide such reasonable assistance as may be requested by our Company, in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of the our Directors, our Company Secretary and Compliance Officer, Banker(s) to the Company, Statutory Auditors, Legal Advisor to our Company as to Indian law, the Registrar to the Offer (wherever applicable), CareEdge Research, in their respective capacities, have been obtained and such consents have not been withdrawn up to the time of delivery of this Red Herring Prospectus; and consents in writing of the Syndicate Members, the Banker(s) to the Offer/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank(s), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus with the RoC.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received the written consent dated November 02, 2023 from M/s Mittal & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated December 06, 2024 on our Restated Financial Information; and (ii) their report dated December 07, 2024 on the statement of possible special tax benefits available to the Company, and its shareholders, in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated October 20, 2023 from Rajeev Kumar Gupta, as Chartered Engineer to include their name under the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under the Companies Act, 2013 in respect of their certificate on our Company’s capacity and its utilization at facilities, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Our Company has not made any public or rights issue during the last five years preceding the date of the Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus.

Further, as on the date of this Red Herring Prospectus, our Company does not have any other listed Group Companies, Subsidiary or Associate.

Commission and brokerage paid on previous issues of the Equity Shares in the last five years

Since this is an initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage by our Company for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years preceding the date of this Red Herring Prospectus

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed promoter of our Company

Our Promoters being individual are not a listed company. Further, as on the date of this Red Herring Prospectus our Company does not have any subsidiary.

Capital issue during the previous three years by our listed Group Company, Subsidiaries or associates of our Company

As on the date of this Red Herring Prospectus, our Company does not have any subsidiaries or associates. Our Companies has not done any capital issue during the previous three years.

Disclosure of Price Information of latest Issues handled by Sarthi Capital Advisors Private Limited in the past 3 years

Table 1

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing Benchmark]- 30 th calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 90 th calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 180 th calendar day from listing
1.	Vivo Collaboration Solutions Limited	4.40	82.00	December 31, 2021	355.10	19.53[0.81]	-53.82[21.65]	-55.27[16.54]
2.	P. E. Analytics Limited	31.60	114.00	April 04, 2022	170.00	-2.07 [-0.80]	-13.62[-7.64]	-6.53 [15.42]
3.	Frog Cellsat Limited	41.57	102.00	October 13, 2022	177.00	19.11 [7.73]	24.14 [5.18]	-1.99/4.16
4.	Homesfy Realty Limited	15.86	197.00	January 02, 2023	275.05	78.28 [-3.19]	45.15 [-4.39]	49.71 [6.18]
5.	Spectrum Talent Management Limited	105.14	173.00	June 22, 2023	155.00	-2.92 [4.80]	-9.03 [26.08]	-23.09 [43.56]
6.	Digikore Studios Limited	30.48	171.00	October 04, 2023	270.00	-3.92 [11.10]	16.05 [18.31]	101.06 [23.91]
7.	Vinyas Innovaive Technologies Limited	54.66	165.00	October 06, 2023	330.00	22.91 [8.27]	98.11 [18.65]	87.59 [24.18]

Sources: All share price data is from www.bseindia.com / www.nseindia.com

Table 2-Summary Statement of Disclosures

Financial year	Total no. of IPOs	Total funds raised (Rs. in Crores)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar day from listing			No. of IPOs trading at premium – 180 th calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
21-22	1	4.40	-	-	-	1	-	-	-	-	-	1	-	-
22-23	3	89.03	-	-	-	1	1	-	-	-	-	1	-	-
23-24	3	190.28	-	-	2	-	-	1	-	-	-	2	-	-

Note: In the last 3 years the Book Running Lead Manager has not managed any Main Board IPO. Therefore, break-up of SME IPO and Main Board IPO is not applicable

Note

1. The BSE Sensex/ Nifty is considered as the Benchmark Index.
2. Price on BSE/ NSE is considered for all of the above calculations.
3. In case 30th/90th/180th day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered.
4. In case 30th/90th/180th day if there is no trade then the closing price of the next day when trading has taken place has been considered.

Mechanism for redressal of Investor Grievances

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application, UPI ID linked bank account

number in which amount is blocked and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

Disposal of Investor Grievances by our Company

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has obtained authentication on the SCORES and will comply with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES

Further, we have constituted the Stakeholders Relationship Committee of the Board vide resolution passed at the Board Meeting held on October 06, 2023. For further details, please refer to the chapter titled “Our Management” beginning on page 183 of this Prospectus.

Our Company has appointed Sarita Khamwani as the Company Secretary and Compliance Officer and he may be contacted at the following address:

Stallion India Fluorochemicals Limited

2, A Wing, Knox Plaza,
Off. Link Road, Mindspace,
Malad - West, Mumbai-400064, Maharashtra.
Tel.: 022-43510000
E-mail: compliance@stallion.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre- issue or post- issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of the Red Herring Prospectus, Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, Offer for Sale and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authority while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder. Expenses for the Offer shall be shared amongst our Company and the Promoter Selling Shareholder in the manner specified in “Objects of the Offer –Offer Expenses”, on page 85.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares Allotted in the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and shall rank *pari passu* with the existing Equity Shares in all respects including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “Description of Equity Shares and Terms of Articles of Association” on page 354.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, our MoA, AoA, the Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable law. For further details in relation to dividends, see “Dividend Policy” and “Description of Equity Shares and Terms of the Articles of Association” on pages 204 and 354, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹10 and the Offer Price is ₹[●] per Equity Share. The Floor Price is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company, and the Promoter Selling Shareholder in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of Business Standard, an English national daily newspaper and editions of Business Standard, a Hindi national daily newspaper and Maharashtra editions of Navshakti a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

The Offer Price shall be determined by our Company and the Promoter Selling Shareholder in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations, our AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Description of Equity Shares and Terms of Articles of Association" on page 354.

Allotment of Equity Shares only in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations and the Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Company:

- Tripartite agreement dated November 17, 2023 amongst our Company, NSDL and Registrar to the Company.
- Tripartite agreement dated December 04, 2023 amongst our Company, CDSL and Registrar to the Company.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of basis of allotment, see "Offer Procedure" on page 331.

Joint Holders

Subject to the provisions of our AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form which is available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Period of operation of subscription list - Bid/Offer Programme

BID/ OFFER OPENS ON	THURSDAY, JANUARY 16, 2025 ⁽¹⁾
BID/ OFFER CLOSES ON	MONDAY, JANUARY 20, 2025 ⁽²⁾⁽³⁾

- (1). *Our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations*
- (2). *Our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, consider closing the Bid/ Offer Period for QIBs one day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*
- (3). *UPI mandate end time and date shall be at 5.00 p.m. on Bid/Offer Closing Date*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	January 20, 2025
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about January 21, 2025
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about January 22, 2025
Credit of Equity Shares to demat accounts of Allottees	On or about January 22, 2025
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about January 23, 2025

* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. Further, Bidders shall be entitled to compensation in the manner prescribed by SEBI and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. Further, in terms of circulars prescribed by SEBI from time to time, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Promoter Selling Shareholder or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within the time period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company and the Promoter Selling Shareholder in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirm that they shall extend complete co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed by SEBI.

SEBI is in the process of streamlining and reducing the post issue timeline for initial public offerings and has through its circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, reduced the time period for listing of shares in public issue from existing 6 days to 3 days. The revised timeline of T+3 days shall be made applicable in two phases i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing conditions at the time of the opening of the Offer. Any circulars or notifications from the SEBI after the date of this Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with listing timelines and activities prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Offer Closing Date	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

*UPI mandate end time and date shall be at 5.00 pm on Bid/Offer Closing Date.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date, and in any case no later than the prescribed time on the Bid/ Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Bids will be accepted only during Working Days. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company and the Promoter Selling Shareholder, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations, provided that the revised Cap Price shall be less than or equal to 120% of the Floor Price. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price

will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Promoter Selling Shareholder in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLM and terminals of the Syndicate Members and by intimation to the SCSBs, other Designated Intermediaries and the Sponsor Banks, as applicable.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the Bid/Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued or offered under the Red Herring Prospectus, the Promoter Selling Shareholder, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law, including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. Subject to applicable law, the Promoter Selling Shareholder shall not be responsible to pay interest for any delay, unless such delay is solely and directly attributable to an act or omission of the Promoter Selling Shareholder, in which case such liability shall be to the extent of the Offered Shares.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. If there is a delay beyond the prescribed period, our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of an under-subscription in the Offer, the Equity Shares will be Allotted in the following order:

- i. such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;*
- ii. upon (i), all the Equity Shares held by the Promoter Selling Shareholder and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by the Promoter Selling Shareholder to the aggregate Offered Shares in the Offer for Sale); and*
- iii. once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion*

In accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timelines as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Promoter Selling Shareholder shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Restrictions, if any, on Transfer and Transmission of Equity Shares and on their consolidation or splitting

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "Capital Structure" on page 75 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For further details, see "Description of Equity Shares and terms of Articles of Association" on page 354.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company and the Promoter Selling Shareholder, in consultation with the BRLM, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company and the Promoter Selling Shareholder, in consultation with the BRLM, decides not to proceed with the Offer, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Manager, withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI and the Stock Exchanges.

OFFER STRUCTURE

The Offer of up to 2,21,61,396 Equity Shares of face value of ₹ 10 each for cash at a price of up to ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating up to ₹[●] Lakhs comprising a Fresh Issue of 1,78,58,740 equity shares aggregating up to ₹[●] lakhs and an Offer for Sale of up to 43,02,656 Equity Shares aggregating up to ₹ [●] lakhs, by Promoter Selling Shareholder.

The Offer shall constitute 27.94 % of the post-Offer paid-up equity share capital of our Company. The Offer is being made through the Book Building Process.

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation ⁽²⁾	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion (i.e. excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the Net QIB Portion (i.e. excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation, out of which (i) one third shall be reserved for Bidders with Bids more than ₹ 2.00 lakhs and up to ₹ 10.00 lakhs; and (ii) two thirds shall be reserved for Bidder with Bids exceeding ₹ 10.00 lakhs. Provided that the unsubscribed portion in either of the sub categories specified above was allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “Offer Procedure” beginning on page 331.	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details please see the section entitled “Offer Procedure” on page 331

	to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price .		
Minimum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares (excluding the Anchor Investor Portion) so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer (excluding the QIB Portion), subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000.
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.		
Trading Lot	One Equity Share		
Who can apply ^{(3) (4)}	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under subsection (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F.No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts family offices and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta).
Terms of Payment	In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism (for RIBs or Individual investors biddings under the Non – Institutional Portion for an amount more than ₹ 2.00 lakhs and up ₹ 5.00 Lakhs, using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form		

	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids(4)		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 5.00 Lakhs).	Only through the ASBA process (including the UPI Mechanism).

* Assuming full subscription in the Offer

- ⁽¹⁾ Our Company and the Promoter Selling Shareholder, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹10.00 crores, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹10.00 crores but up to ₹250.00 crores under the Anchor Investor Portion, subject to a minimum Allotment of ₹5.00 crores per Anchor Investor, and (iii) in case of allocation above ₹250.00 crores under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹250.00 crores, and an additional 10 Anchor Investors for every additional ₹250.00 crores or part thereof will be permitted, subject to minimum allotment of ₹5.00 crores per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹10.00 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.
- ⁽²⁾ Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. This Offer is being made in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see “Terms of the Offer” on page 320
- ⁽³⁾ In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.
- ⁽⁴⁾ Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 331 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriter, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the BRLM

and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see “Terms of the Offer” on page 320.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form,) (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) interest in case of delay in Allotment or refund; and (xiv) disposal of application.

The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective until June 30, 2019 with effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”), as may be prescribed by the SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023 (“**T+3 Circular**”). This Red Herring Prospectus has been drafted in accordance with UPI Phase II framework and also reflects additional measures for streamlining the process of initial public offers. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.

Further, In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Red Herring Prospectus.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company, the Promoter Selling Shareholder, the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Promoter Selling Shareholder may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for Non-Institutional Bidders with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two third of such portion shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoter Selling Shareholder in consultation with the BRLM, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In case of an under subscription in the Offer, the Equity Shares proposed for sale by the Promoter Selling Shareholder shall be in proportion to the Offered Shares by such Promoter Selling Shareholder.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares dematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable law.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Phased implementation of UPI for Bids by RIBs as per the UPI Circulars

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020.

Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022 (the “**UPI Streamlining Circulars**”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the

redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in Business Standard, a widely circulated English national daily newspaper; (ii) Business Standard, a Hindi national daily newspaper; and (iii) Maharashtra editions of Navshakti, a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is located), on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will appoint two SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub- syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the ASBA Form will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

ASBA Bidders (including Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms

not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White

* Excluding electronic Bid cum Application Forms

Notes:

- (1). *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).*
- (2). *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through the UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹500,000 and NII & QIB bids above ₹200,000, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Electronic Registration of Bids

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the stock exchanges platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by Promoters and Promoter Group of the Company, the BRLM and the Syndicate Members and persons related to Promoters/Promoter Group/ the BRLM

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including the respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any associate of the BRLM can apply in the Offer under the Anchor Investor Portion:

- i. mutual funds sponsored by entities which are associate of the BRLM;
- ii. insurance companies promoted by entities which are associate of the BRLM;
- iii. AIFs sponsored by the entities which are associate of the BRLM; or
- iv. FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

The Promoters and the members of the Promoter Group will not participate in the Offer, except to the extent of the Offer for Sale.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant.

The limit of investment by the NRIs and Overseas Citizens of India (“OCI”) is increased from 10% to 24% of the paid-up equity share capital of the Company by way of a resolution passed by the Board on September 30, 2021 and a resolution passed by the shareholders on October 1, 2021. NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For further details, see “Restrictions on Foreign Ownership of Indian Securities” on page 352.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, are required to be made in the individual name of the karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “**Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta**”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control)

must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA Non debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap is 100% and accordingly, the applicable limit with respect to our Company is 100%. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholder, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs Company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying asset) directly or indirectly, only if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it is subject to, inter alia, the following conditions:

- i. such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- ii. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (the "**Operational FPI Guidelines**"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("**MIM Bids**"). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "**MIM Structure**"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an

FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “**FPI Group**”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re- registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Promoter Selling Shareholder, or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholder in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “**Banking Regulation Act**”) and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank’s own paid-up share capital and reserves

as per the last audited balance sheet or a subsequent balance sheet, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended are broadly set forth below:

- a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, NBFC-SI, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLM reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholder in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Promoter Selling Shareholder in consultation with the BRLM may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

- (1). Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- (2). The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹10.00 crores. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹10.00 crores.
- (3). One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (4). Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.
- (5). Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹10.00 crores; (b) minimum of two and maximum of 15 Anchor Investors, where the

allocation under the Anchor Investor Portion is more than ₹10.00 crores but up to ₹250 crores, subject to a minimum Allotment of ₹5.00 crores per Anchor Investor; and (c) in case of allocation above ₹250 crores million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹250 crores million, and an additional 10 Anchor Investors for every additional ₹250 crores million, subject to minimum allotment of ₹5.00 crores per Anchor Investor.

- (6). Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.
- (7). Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (8). If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- (9). 90 days from the date of Allotment and the remaining 50% shall be locked – in for a period of 30 days from the date of Allotment.
- (10). which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document and “Restrictions on Foreign Ownership of Indian Securities” on page 352.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in this Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus Information for Bidders.

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Promoter Selling Shareholder, and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

- (1). Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- (2). Ensure that you have Bid within the Price Band;
- (3). Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
- (4). Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number if you are not an UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
- (5). Designated Intermediary at the Bidding Centre within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- (6). Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
- (7). In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
- (8). Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
- (9). Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
- (10). Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;

- (11). UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
- (12). Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- (13). Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
- (14). Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
- (15). in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- (16). Ensure that the Demographic Details are updated, true and correct in all respects;
- (17). Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- (18). Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
- (19). Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
- (20). Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
- (21). Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- (22). Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Offer is also appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website and is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

- (23). UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
- (24). Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
- (25). UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an UPI Bidders may be deemed to have verified the attachment containing the application details of the UPI Bidders in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form;
- (26). The ASBA bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
- (27). Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
- (28). FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected; and
- (29). Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).
- (30). Ensure that your PAN is linked with your Aadhaar card, and that you are in compliance with notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021, each issued by the Central Board of Direct Taxes.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

- (1). Do not Bid for lower than the minimum Bid size;
- (2). Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- (3). Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
- (4). Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
- (5). Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- (6). Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- (7). Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

- (8). Do not submit the Bid for an amount more than funds available in your ASBA account.
- (9). Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
- (10). In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
- (11). If you are a UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
- (12). Anchor Investors should not Bid through the ASBA process;
- (13). Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- (14). Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- (15). Do not submit the General Index Register (GIR) number instead of the PAN;
- (16). Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- (17). Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- (18). Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- (19). Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- (20). Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
- (21). If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Offer Closing Date;
- (22). Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- (23). Do not Bid for Equity Shares in excess of what is specified for each category;
- (24). In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 500,000;
- (25). Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
- (26). Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
- (27). Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

- (28). If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
- (29). Do not Bid if you are an OCB;
- (30). Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
- (31). Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
- (32). Do not submit a Bid cum Application Form with a third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism); and
- (33). UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, see “General Information” on page 68.

For details of grounds for rejections of a Bid cum Application Form, please see the General Information Document. Further, Bid cum Application Forms are liable to be rejected if they do not comply with the criteria set out under “Restrictions on Foreign Ownership of Indian Securities” on page 352.

Grounds for Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

- (1). Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- (2). Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
- (3). Bids submitted on a plain paper;
- (4). Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
- (5). Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));
- (6). ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- (7). Bids submitted without the signature of the First Bidder or sole Bidder;
- (8). The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder; ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
- (9). Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

- (10). GIR number furnished instead of PAN;
- (11). Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹200,000;
- (12). Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- (13). Bids accompanied by stock invest, money order, postal order or cash; and
- (14). Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular dated March 16, 2021 read with SEBI circular dated June 21, 2023 and SEBI circulars dated June 2, 2021 and April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar to the Offer, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Non – Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allocation to each NIB shall not be less than the Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Promoter Selling Shareholder in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- a) In case of resident Anchor Investors: “*STALLION INDIA FLUOROCHEMICALS LIMITED- Anchor-R A/C*”
- b) In case of Non-Resident Anchor Investors: “*STALLION INDIA FLUOROCHEMICALS LIMITED - Anchor-NR A/C*”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) Business Standard, a widely circulated English national daily newspaper; (ii) all editions of Business Standard, a widely circulated Hindi national daily newspaper; and (iii) Maharashtra edition of Navshakti, a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is located).

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date, the Bid/ Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Business Standard (a widely circulated English national daily newspaper), Business Standard (a widely circulated Hindi national daily newspaper) and Maharashtra editions of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located).

Signing of the Underwriting Agreement and filing with the RoC

Our Company and the Promoter Selling Shareholder intend to enter into an Underwriting Agreement after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoter’s contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- that if our Company and the Promoter Selling Shareholder, in consultation with the BRLM, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Promoter Selling Shareholder subsequently decides to proceed with the Offer thereafter;

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertake that:

- the Equity Shares offered for sale by the Promoter Selling Shareholder are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations, are fully paid-up and are in dematerialised form;
- shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- are the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale;
- shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received;
- shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of its Offered Equity Shares offered by it pursuant to the Offer; and
- shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer.

Utilisation of Gross Proceeds

Our Board certifies that:

- All monies received out of the Fresh Issue component of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.
- Details of all utilised monies out of the Fresh Issue shall be disclosed, and continued to be disclosed till any part of the proceeds of the Fresh Issue remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised or invested.
- Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is in effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

As per the FDI policy, up to 100% FDI in the paid-up share capital of Company is permitted under the automatic route however, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see “Offer Procedure” on page 331.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “Offer Procedure – Bids by Eligible NRIs” and “Offer Procedure – Bids by FPIs” on page 331.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except

pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

**THE COMPANIES ACT, 2013 (A COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION
OF STALLION INDIA FLUORO CHEMICALS LIMITED
(Formerly Known as Stallion India Fluorochemicals Private Limited)**

Articles of Association

Table-F - A COMPANY LIMITED BY SHARES

Share Capital and Variation of rights

1. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in clause V of Memorandum of Association with power to increase and reduce the capital of the Company or to reclassify subdivide consolidate and increase or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential deferred qualified or special rights privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary modify or abrogate any such rights privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force. Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. The Company may issue the following kinds of shares in accordance with these Articles the Act the Rules and other applicable laws (a) Equity share capital (i) with voting rights and or (ii) with differential rights as to dividend voting or otherwise in accordance with the Rules and (b) Preference share capital. The Board or the Company as the case may be may in accordance with the Act and the Rules issue further shares to (a) persons who at the date of offer are holders of equity shares of the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person or (b) employees under any scheme of employees stock option or (c) any persons whether or not those persons include the persons referred to in clause (a) or clause (b) above. The Company may exercise the powers of issuing sweat equity shares of a class of shares already issued in accordance with the Act the Rules and other applicable law if any.
2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificate search for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders
3. If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a

share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

Lien

9. The company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The company's lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell in such manner as the Board thinks fit any shares on which the company has a lien Provided that no sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. Each member shall subject to receiving at least fourteen days' notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board - a. may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him and b. upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may subject to the right of appeal conferred by section decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unlessa. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56b. the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and c. the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. On the death of a member the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder shall be the only persons recognised by the

company as having any title to his interest in the shares Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. The Board shall in either case have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.
25. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.
27. In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the event of the death of the member become the member of the company.

Forfeiture of shares

28. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.
29. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.
30. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.
31. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.
32. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture

were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of The transferee shall thereupon be registered as the holder of the share and The transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.
34. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

35. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
36. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
37. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. the holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.
38. The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law its share capital any capital redemption reserve account or any share premium account.

Capitalisation of profits

39. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the companys reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively paying up in full unissued shares of the company to be allotted and distributed credited as fully paid-up to and amongst such members in the proportions aforesaid partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully

paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members

Buy-back of shares

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

General meetings

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.
43. The Board may whenever it thinks fit call an extraordinary general meeting. If at any time there are not within India sufficient Directors capable of acting to form a quorum or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra- Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Board.

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Proceedings at general meetings

44. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.
45. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.
46. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.
47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.
48. In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.

Adjournment of meeting

49. The Chairperson may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

50. On any business at any general meeting in case of an equality of votes whether on a show of hands or electronically or on a poll the Chairperson shall have a second or casting vote.ii.(a) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.(b) The Chairman shall exercise an absolute discretion in the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.

53. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.

54. Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

56. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

Proxy

57. The instrument appointing a proxy and the power-of-attorney or other authority if any under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

59. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was

executed or the transfer of the shares in respect of which the proxy is given Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

60. Following are the first directors of the company (a)MR. SHAZAD SHERIAR RUSTOMJI (b)MRS. MANISHA RUSTOMJI(a)Unless otherwise determined by the Company in general meeting the number of director shall not be less than 3 (three) and shall not be more than 15 (Fifteen).(b)Subject to the provisions of Section 149 of the Act the Company may from time to time by Special Resolution increase or reduce the number of Directors within the limits fixed by these Articles and may also determine in what rotation the increased or reduced number is to vacate the office. A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules. The Directors shall appoint one women director as per the requirements of section 149 of the Act.The Company shall appoint such number of directors as independent directors as may be required under Section 149 of the Act and in pursuance of the provisions of any law for the time being in force. The persons to be appointed as independent director shall hold such qualifications and shall comply with such conditions as may be prescribed under the Act and any other law for the time being in force.The Board of Directors may appoint a person not being a person holding any alternate directorship for any other Director in the Company to act as an Alternate Director to act for a Director (hereinafter called the Original Director) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director. An Alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director shall vacate office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director. An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.The Board may appoint any person as a director nominated by any financial institution bank corporation or any other statutory body or if the Company has entered into any obligation with any such institution bank corporation or body in relation to any financial assistance by way of loan advanced to the Company or guarantee or given of any loan borrowed or liability incurred by the Company or so long as the Company is indebted. Such Nominee Directors shall not be required to hold any share qualification in the Company and such Nominee Directors shall not be liable to retirement by rotation of Directors. Subject as aforesaid the Nominee Directors shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
61. Subject to the provisions of Section 197 and Schedule V to the Actthe remuneration payable to a Director of the Company shall be as hereinafter provided(a)Subject to the provisions of the Act the Managing Director and Whole-time Director(s) may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.(b) Subject to the provisions of Section 197 and Schedule V and other applicable provisions to the Act read with these Articles the Board or its Committee shall have powers to determine and pay such remuneration to a Director for his services whole time or part time to the Company or for services of a professional or other nature rendered by him as may be determined by the Board or its Committee. If any Director being willing shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where Office of the Company is situate or where the Director usually resides or otherwise in the Companys business or for any of the purposes of the Company then subject to the provisions of the Act the Board or its Committee shall have power to pay to such Director such remuneration as may be determined by the Board.(c) The fees payable to a Director for attending a meeting of the Board or a committee of the Board meeting shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed by Central Government pursuant to the provisions of the Act.The Board may allow and pay to any Director such sum as the Board may consider fair compensation or for travelling boarding lodging and other expenses in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Companys business he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.

62. The Company shall appoint such number of Independent Directors as it may deem fit for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors. Not less than two-thirds of the total number of Directors of the Company shall (a) be persons whose period of office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the said Act be appointed by the Company in General Meeting. Explanation - for the purposes of this Article total number of Directors shall not include Independent Directors appointed on the Board of the Company. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit. Subject to the provisions of Section 152 of the Act at every Annual General Meeting one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three then the number nearest to one-third shall retire from office. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day those who are to retire shall in default of and subject to any agreement among themselves be determined by lot. A retiring Director shall be eligible for re- election. At the Annual General Meeting at which a Director retires as aforesaid the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy the meeting shall stand adjourned till the same day in the next week at the same time and place or if that day is a National Holiday till the next succeeding day which is not a holiday at the same time and place. If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless - (a) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost (b) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed (c) he is not qualified or is disqualified for appointment (d) a resolution whether special or ordinary is required for his appointment or reappointment by virtue of any provisions of the said Act or T he Whole-time Directors shall not be liable to retire by rotation.
63. (i) The Company shall cause to be kept and maintained the following registers namely (a) Register of members indicating separately for each class of equity and preference Shares held by each member residing in India or outside India (b) Register of debenture-holders (c) Register of any other security holders and (d) including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act. (a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. (b) The foreign register shall be open for inspection and may be closed and extracts may be taken there from and copies thereof may be required in the same manner mutatis mutandis as is applicable to the register of members. No member or other person (not being a director) shall be entitled to visit or inspect any works or premises of the Company without the prior written consent of the Directors key managerial personnel or such other senior executives as may be prescribed.
64. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
66. Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

67. minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct business adjourn and otherwise regulate their meeting and proceedings as they think fit. Pursuant to and in compliance of applicable provisions of Act rules regulations circulars guidelines notifications etc. as may be specified by the Ministry of Corporate Affairs SEBI or any competent authority the Company may allow its Director(s) to participate in the Board meeting(s) or Committee meeting(s) through video conferencing and other valid audio visual medium in compliance of provisions of the Act and the Directors so participating shall be deemed to be present in such meeting(s) for the purpose of the quorum voting recording and all other relevant provisions in this regard. Subject to provisions of the Act notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event any Independent Director is not present at the meeting called at shorter notice the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.
68. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.
69. The Quorum for a meeting of the Board shall be as provided in the Act. Where a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday till the next succeeding day which is not a national holiday or to such other day and at such other time and place as the Board may determine.
70. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.
71. The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. The participation of the members of the Committee may be either in person or through video conferencing or audio visual means or any other mode as may be prescribed by the Rules or permitted under law.
72. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.
73. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairperson shall have a second or casting vote.
74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
75. Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee

shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

76. In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer
78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer manager company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as or in place of chief executive officer manager company secretary or chief financial officer.

The Seal

79. The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

80. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
81. Subject to the provisions of section 123 the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
82. The Board may before be recommending any dividend set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may from time to time thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.
83. Subject to the rights of persons if any entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
84. The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
85. Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.
87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
88. No dividend shall bear interest against the company.

Accounts

89. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors. member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder If the company shall be wound up the liquidator may with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie or kind the whole or any part of the assets of the company whether they shall consist of property of the same kind or not. For the purpose aforesaid the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

91. Subject to the provisions of the Act every Director Managing Director Whole-Time Director Manager Chief Financial Officer Company Secretary and any other officer of the Company shall be indemnified by the Company out of the funds of the Company to pay all costs losses and expenses (including travelling expense) which such director manager chief financial officer company secretary and any other officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director Manager Chief Financial Officer Company Secretary or officer or in any way in the discharge of his duties in such capacity including expenses. Subject as aforesaid every Director Managing Director Manager Chief Financial Officer Company Secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Others

92. Powers of Board - The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers and do all such acts and things as the Company is by the memorandum of association or otherwise authorized to exercise and do and not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations not being inconsistent with the memorandum of association and these Articles or the Act from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts, which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus that will be filed with RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at <https://stallionfluorochemicals.com> and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Material Contracts for the Offer

1. Offer Agreement dated December 05, 2023, entered into between our Company, the Promoter Selling Shareholder and the Book Running Lead Manager.
2. Registrar Agreement dated December 05, 2023 entered into between our Company, the Promoter Selling Shareholder and the Registrar to the Offer.
3. Escrow and Sponsor Bank Agreement dated October 04, 2024 amongst our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLM, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Public Offer Bank and the Refund Bank(s).
4. Share Escrow Agreement dated August 29, 2024 amongst our Company, the Promoter Selling Shareholder and the Share Escrow Agent.
5. Syndicate Agreement dated January 07, 2025 amongst our Company, the Promoter Selling Shareholder, the BRLM, the Syndicate Members and the Registrar to the Offer.
6. Monitoring Agency Agreement dated September 09, 2024 amongst our Company and the Monitoring Agency.
7. Underwriting Agreement dated of [●] between our Company, the Promoter Selling Shareholder, the Book Running Lead Manager and the Underwriters.

Material Contracts for the Offer

1. Slum sale Agreement dated September 30, 2023 with Stallion Enterprises (Sole Proprietary firm of Shazad Sheriar Rustomji)

Material Documents for the Offer

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated September 05, 2002; issued by the Registrar of Companies, Mumbai
3. Fresh Certificate of incorporation dated October 05, 2023; issued by the Registrar of Companies, Mumbai
4. Resolution of the Board of Directors dated November 16, 2023 authorizing the Issue.

5. Shareholders' Resolution passed at the Extra-ordinary General Meeting of the Company held on November 30, 2023 authorizing the Issue.
6. Report of our Peer Reviewed & Statutory Auditor dated December 06, 2024 regarding the Restated Financial Statement of our Company for six months ended September 30, 2024 and financial year ended, March 31, 2024, 2023 and 2022.
7. Statement of Tax Benefits dated December 07, 2024 issued by our Statutory and Peer Reviewed Auditor.
8. Certificate dated December 07, 2024 issued by Mittal & Associates., Chartered Accountants, certifying the KPIs of the Company.
9. Consents of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, BRLM, Legal Advisor to the Offer, Statutory and Peer Reviewed Auditor, Registrar to the Offer, Escrow Collection Banks, Public Offer Account Bank, Sponsor Banks, Refund Bank, Bankers to our Company and Syndicate Members as referred to in their specific capacities.
10. Consent from CARE Analytics and Advisory Private Limited dated December 05, 2023 to include contents or any part thereof from their report titled "Industry Research Report Fluorochemicals & Specialty Gases".
11. Industry Report titled "Industry Research Report on Fluorochemicals & Specialty Gases" dated August, 2024 prepared and issued by CareEdge and commissioned and paid for by the Company, exclusively for the purpose of this Offer pursuant to an engagement letter dated November 16, 2023.
12. Complaint filed by K & P Law Associates representing Zhejiang Sanmei Chemical Industry Co. Ltd. ("Sanmei") dated May 23, 2024, June 03, 2024, June 07, 2024; June 20, 2024, July 03, 2024; July 16, 2024; July 27, 2024; July 30, 2024; August 14, 2024 and August 29, 2024 to Securities and Exchange Board of India ("SEBI") / Book Running Lead Manager ("BRLM") and the response dated May 31, 2024, June 05, 2024; June 25, 2024; July 10, 2024; July 25, 2024; August 02, 2024; August 07, 2024; August 23, 2024 and September 05, 2024 filed by the BRLM.
13. Complaint filed by K & P Law representing Zhejiang Sanmei Chemical Industry Co. Ltd. ("Sanmei") dated July 06, 2024, July 19, 2024 and July 30, 2024 to Company, and the response dated July 10, 2024 and July 25, 2024 filed by the company.
14. Complaint filed by K & P Law representing Zhejiang Sanmei Chemical Industry Co. Ltd. ("Sanmei") dated June 21, 2024 on Company's SEBI SCORES and the response dated June 27, 2024 filed by the company.
15. Certificate on adherence to accounting standards dated August 02, 2024 issued by Statutory Auditor i.e. Doshi Praveen & Co., Chartered Accountants.
16. Due diligence Certificate dated March 20, 2024 addressed to SEBI issued by the BRLM
17. In - principle listing approvals dated July 05, 2024 each from BSE Limited and National Stock Exchange of India Limited.
18. Tripartite agreement dated November 17, 2023 between our Company, NSDL and the Registrar to the Company.
19. Tripartite agreement dated December 04, 2023 between our Company, CDSL and the Registrar to the Company.
20. SEBI observation letter no. SEBI/HO/CFD/RAC-DIL2/P/OW/2024/23308/1 dated July 18, 2024.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other applicable law.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHAIRMAN & MANAGING DIRECTOR OF OUR COMPANY

Sd/-

Shazad Sheriar Rustomji
(Chairman & Managing Director)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Manisha Shazad Rustomji
(Executive Director)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Rohan Shazad Rustomji
(Executive Director)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Geetu Yadav
(Executive Director)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Rajagopal Neelacantan
(Independent Director)**

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Virenderkumar Mehta
(Independent Director)**

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Mukund Kandoi
(Independent Director)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Gautam Lath
(Independent Director)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Ashish Mehta
(Chief Financial Officer)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

Sarita Khamwani

(Company Secretary and Compliance Officer)

Place: Mumbai

Date: January 11, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

Sd/-

Shazad Sheriar Rustomji

Place: Mumbai

Date: January 11, 2025