

Stallion India Fluorochemicals Ltd.

CIN - U51410MH2002PLC137076

2, A-Wing, Knox Plaza, Off Link Road,
MindSpace, Malad (W), Mumbai - 400 064.

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STALLION INDIA FLUOROCHEMICALS LIMITED
(Formerly Known as Stallion India Fluorochemicals
Private Limited)
(CIN - U51410MH2002PLC137076)

ANNUAL REPORT FOR THE FINANCIAL YEAR
2023-24

REFERENCE INFORMATION

REGISTERED OFFICE:

2, A Wing, Knox Plaza, Off. Link Road, Mindspace,
Malad West, Mumbai 400064

BOARD OF DIRECTORS AND KMPs:

Non-Independent, Executive

1. Mr. Shazad Sheriar Rustomji
2. Ms. Manisha Shazad Rustomji
3. Ms. Geetu Yadav
4. Mr. Rohan Shazad Rustomji

Independent, Non-Executive

5. Mr. Rajagopal Neelacantan
6. Mr. Virenderkumar Mehta
7. Mr. Gautam Lath
8. Mr. Mukund Kandoi

Company Secretary & Compliance Officer

Ms. Sarita Dharamdas Khamwani
(Company Secretary w.e.f. 16th October 2023)

Chief Financial Officer:

Ashish Mehta

AUDITOR:

M/s. Mittal & Associates,
Chartered Accountants
Firm Registration No.: 106456W
(Statutory Auditor)

M/s. Ankit Goyanka & Associates
Chartered Accountants
Firm Registration No.: 154590W
(Internal Auditor)

M/s. Vihang Desai & Associates,
Company Secretaries
CP No.: 17435
(Secretarial Auditor)

COMMITTEES OF BOARD

Audit Committee

Gautam Lath	Chairman
Virenderkumar Mehta	Member
Shazad Sheriar Rustomji	Member

Corporate Social Responsibility Committee:

Shazad Sheriar Rustomji	Chairman
Mukund Kandoi	Member
Rajagopal Neelacantan	Member

Nomination and Remuneration Committee:

Rajagopal Neelacantan	Chairman
Mukund Kandoi	Member
Virenderkumar Mehta	Member
Shazad Sheriar Rustomji	Member

BANKER

ICICI Bank Limited

REGISTRAR AND TRANSFER AGENT

Bigshare Services Private Limited

Stakeholders Relationship Committee:

Rajagopal Neelacantan	Chairman
Mukund Kandoi	Member
Shazad Sheriar Rustomji	Member

Risk Management Committee:

Gautam Lath	Chairman
Virenderkumar Mehta	Member
Shazad Sheriar Rustomji	Member

BOARD'S REPORT

To,
The Members of,
Stallion India Fluorochemicals Limited.
(Formerly Known as Stallion India Fluorochemicals Private Limited)

The Directors are pleased to present the twenty-second Annual Report on the performance of the Company, along with the Company's Audited Financial Statements for the Financial Year ended 31st March, 2024.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's Financial Performance for the year ended 31st March, 2024, is summarized as follows:

Particulars	(Amount in Lakhs)	
	2023-2024	2022-2023
Profit Before Exceptional Items and Tax	2,159.20	2,326.19
Add: Exceptional Items (Net)	-	-
Less:	-	-
- Current Tax	612.24	829.44
- Deferred Tax	(0.50)	(127.65)
Profit for the Year	1,547.47	1,624.40
Add: Other Comprehensive Income	0.38	1.35
Total Comprehensive Income for the year	1,547.85	1,625.75
Add: Balance in Retained Earnings Account (including Other Comprehensive income)	3,762.44	2,214.97
Sub-Total	5,310.29	3,840.72
Less: Appropriation		
Transferred to General Reserve	-	-
Dividend on Equity Shares	-	-
Closing Balance (including Other Comprehensive income)	5,310.29	3,840.72

2. RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS

The highlights of your Company's Performance for the year ended 31st March, 2024, as compared to the previous year are as follows:

Your Company's performance during the year under report has overall improved. The Company's gross turnover increased by 3.43% to Rs. 233,23,58,048/- (Rupees Two hundred thirty-three crores twenty-three lakhs fifty-eight thousand forty-eight only) during the year compared to Rs. 225,50,43,964/- (Rupees Two hundred twenty-five crores fifty lakhs forty-three thousand nine hundred sixty-four Only) in the previous year. Company's total expenditure was also increased which made an impact on the net profit of the Company and reduced the Net Profit by 4.79% to Rs. 15,47,85,340 /- (Rupees Fifteen crores forty-seven lakhs eighty-five thousand three hundred forty only) during the year compared to Rs. 16,25,74,831/- (Rupees Sixteen crores twenty-five lakhs seventy-four thousand eight hundred thirty-one only) in previous year.

3. BUSINESS OVERVIEW

The Company is into the business of selling Refrigerant gases and Industrial Gases and related products. Its primary business consists of debulking, blending and processing of refrigerant and Industrial gases and selling of pre-filled cans.

- **Refrigerants** are gases used in various cooling systems, such as air conditioners and refrigerators, to absorb and release heat during the refrigeration cycle.
- **Debulking** - It is the process where gases from Bulk transport containers of 20,000 Kilos (called ISO Tanks) are unloaded into the Company's Bulk Storage Tanks for Bulk storage and onwards processing or blending.
- **Blending** - It is a process done by mixing two or more gases in a process with controlled volumes, ratio, temperatures to create an entirely new Gas mixture or "Blend" with specific properties suitable for a particular application.

We have four facilities which are located at Khalapur, Raigad (Maharashtra), Ghiloth, Alwar (Rajasthan), Manesar, Gurugram (Haryana), and Panvel, Raigad (Maharashtra). The primary objective of the Company is to establish itself as a reliable supplier of refrigerants gases, catering to both bulk and small cylinder/container requirements to original equipment manufacturers (OEM's). Our gases find application in various industries/segments such as Air conditioners & Refrigerators, Fire Fighting, Semiconductor manufacturing, Automobile Manufacturing, Pharma and Medicals, Semiconductors, Glass bottle manufacturing, Aerosols and Spray foam. With over two

decades of extensive experience in large-scale Fluorochemicals debulking bottling & distribution, the Company have specialized in refrigerants gases by blending two or more gases to create new formulations.

4. DIVIDEND

In order to strengthen the financial position of the Company and investing into working capital requirement for future business expansion, the Directors has not recommended any dividend during and for the year under review.

The Board of Directors at its meeting held on 16th October, 2023 adopted the Dividend Distribution Policy. It provides the details of parameters for overall payout and a greater flexibility for the Board in taking decisions for rewarding the shareholders of the Company and returning cash to them from time to time. The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Dividend-Declaration-Policy.pdf>

5. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits for FY 2023-24 in the retained earnings.

6. CAPITAL STRUCTURE OF THE COMPANY

Share Capital	31 st March, 2024	31 st March, 2023
Authorized		
13,00,00,000 Equity Shares of Rs. 10/- each	1,30,00,00,000	60,00,00,000
Issued, Subscribed and Paid up		
6,14,66,514 Equity Shares of Rs.10/- each fully paid-up	61,46,65,140	55,12,50,000

- The Memorandum of Association of the Company was amended in the Annual General Meeting held on 07th August, 2023 to increase the authorised share capital of the Company from Rs. 60,00,00,000/- (Rupees Sixty crores only) consisting of 6,00,00,000 Equity shares to Rs. 1,30,00,00,000/- (Rupees One hundred thirty crores only) consisting of 13,00,00,000 Equity shares.

- The Company had issued 63,41,514 (Sixty-three lakhs forty-one thousand five hundred fourteen only) equity shares of face value of Rs. 10/- (Rupees Ten only) each at Premium of Rs. 41.20 (Rupees Forty-one and twenty paise only) for consideration other than cash on a preferential basis for purchase of M/s Stallion Enterprises proprietary concern of Mr. Shazad Sheriar Rustomji, the Managing Director of the Company, as a going concern on slump sale basis, approved in duly held Extra Ordinary General Meeting dated 30th September, 2023. The Board had approved this allotment in a duly held board meeting dated 30th September, 2023. The Company had obtained the Share Valuation Report from Abhishek S Tiwari, Registered Valuer the securities or Financial Assets dated 15th September, 2023 and the value of the equity share was determined Rs. 51.20 (Rupees Fifty-one and twenty paise only) per share.

Therefore, paid-up share capital has increased from Rs. 55,12,50,000/- (Fifty-five crores twelve lakhs fifty thousand only) to Rs. 61,46,65,140/- (Sixty-one crores forty-six lakhs sixty-five thousand one hundred and forty only).

- The Company dematerialized its shares by appointing Bigshare Services Private Limited, Registrar & Transfer Agent (RTA) in its duly held Board Meeting dated 16th October 2023, having CDSL & NSDL ISIN: INE0RYC01010.

7. MAJOR EVENTS OCCURRED DURING THE YEAR

The Company was converted from a Private Limited to Public Limited, thus the name of the Company has been changed from "Stallion India Fluorochemicals Private Limited" to "Stallion India Fluorochemicals Limited" pursuant to a special resolution passed by the shareholders of the Company on 07th August, 2023. A fresh certificate of incorporation dated 05th October, 2023 was issued by the Registrar of Companies ("ROC") consequent upon change of name upon conversion into a public limited company under the Companies Act, 2013.

The Company has proposed, subject to receipt of requisite approvals, market conditions and other considerations, for an Initial Public Offer of the equity shares of the Company through Fresh Issue and Offer for sale of Equity Shares in order to finance the expansion plans, meeting the working capital requirements and other objects of the Company and to achieve the benefits of listing. The offer size of fresh issue (the "Fresh Issue") not exceeding Rs. 200,00,00,000/- (Rupees Two hundred crores Only) and offer size of Offer for Sale ("OFS") not exceeding Rs. 75,00,00,000/-

(Rupees Seventy-five crores only) of face value of Rs. 10/- (Rupees Ten only) each. The Company had filed Draft Red Herring Prospectus (DRHP) for proposed Initial Public Offer (IPO) on 18th December, 2023 after obtaining Member's approval in duly held Extra Ordinary General Meeting dated 30th November, 2023 by passing Special Resolution. Whereas the Company had received the observation and suggestion from SEBI vide letter SEBI/HO/RAC-DIL2/P/OW/2024/3266 dated 01st January, 2024, whereby the Company had re-submitted the Draft Offer Document post applicable changes in compliance with the relevant provisions of SEBI ICDR Regulations, 2018.

During the period ended 30th September, 2023, the Company has acquired Stallion Enterprises, a proprietary concern owned by Mr. Shazad Sheriar Rustomji, Managing Director of the Company, under slump sale through business transfer agreement dated 30th September, 2023. This transaction was approved by the Shareholders of the Company on 28th September, 2023 and was consummated on 30th September, 2023 through preferential issue of 63,41,514 equity shares of the Company to Mr. Shazad Sheriar Rustomji at a price of Rs. 51.20 (Rupees Fifty-one and Twenty Paise Only) per equity share.

8. POLICIES OF THE COMPANY

The Company, during the year under review, has adopted the aforesaid policies for the better corporate governance.

1. Code of Conduct for Board of Directors and Senior Managerial Personnel
2. Code of Conduct for Suppliers
3. Nomination and Remuneration Policy
4. Policy for Determination of Materiality of Events or Information
5. Related Party Transaction Policy
6. Code of Conduct for Fair Price Disclosure
7. Corporate Policy on Internal Controls
8. Vendors and Channel Partners Whistle Blower Policy
9. Vigil Mechanism Whistle Blower
10. Investor Grievance Redressal Policy
11. Policy on Identification of Material Litigations
12. Dividend Distribution Policy
13. Insider Trading Policy
14. Policy on Archival of Documents
15. Policy on Identification of Material Creditors

16. Risk Management Policy
17. Policy for Identification of Material Group Companies
18. Policy on determining Material Subsidiaries
19. Material Dues
20. Policy for Appointment and Terms of Independent Directors
21. Policy on Remuneration for Non-Executive Directors
22. Policy for Preservation of Documents
23. Succession Policy for the Board and Senior Management policy
24. Corporate Environment Health & Safety (EHS) Policy
25. Prevention of sexual harassment (POSH) at Workplace Policy
26. Human Resource Policy
27. Quality Policy
28. Corporate Social Responsibility (CSR) Policy Framework
29. Sustainability Policy

The said policies are available on the website of the Company at <https://stallionfluorochemicals.com/policies/>

9. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes or commitments affecting the financial position of the Company, which occurred between the end of the financial year 2023-24 and the date of this Report.

10. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company did not have any amounts due or outstanding as of the Balance Sheet date to be credited to the Investor Education and Protection Fund. Therefore, provisions of Section 125(2) of the Companies Act, 2013 do not apply during the year of review.

11. INTERNAL FINANCIAL CONTROLS

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, and such internal financial controls with reference to the financial statements are adequate.

12. RISK MANAGEMENT

Risk Management at your Company forms an integral part of Management focus. The Company has in place a Risk Management Policy which provides for a robust risk management framework to identify and assess risks such as safety, health and environment, operational, strategic, financial, security, property, regulatory, reputational and other risks and put in place an adequate risk management infrastructure capable of addressing these risks.

The Risk Management Committee has been constituted to identify, monitor and report on the potential risks associated with the Company's business and periodically keeps the Board of Directors apprised of such risks and the measures taken by the Company to mitigate such risks. The Policy on Risk Management approved by the Board is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Risk-Management-Policy.pdf>

Given below are significant potential risks to the Company and measures in place to mitigate them:

Operational Risk: Disruptions in operating the Company's pipelines, cylinders and equipment may arise due to natural calamities, equipment failures or other unexpected or unforeseen interruptions. The Company consistently works towards monitoring the health of the pipelines through internal checks and external audit assurance and maintaining or improving operational efficiencies.

Safety, Health and Environment Risks: The Company's activities of transporting products through its pipelines and cylinders are inherently hazardous. Any accident, explosion, leakages or acts of terrorism may cause property damage or bodily injury and adversely impact surrounding communities and environment which may result in litigations and disruption of operations. The Company has structured inspections of its operating facilities for identifying and mapping operational hazards, investigating root cause analysis and to eliminate any such occurrence by developing mitigation plans.

Further, there is a comprehensive insurance plan in place to cover the above risks.

13. SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively issued by the Institute of Company Secretaries of India and such systems were adequate and operating effectively.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that,

- a. in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arms' length basis and do not have potential conflict with interest of the Company at large.

The contracts / arrangements / transactions with related party which are required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith and marked as Annexure I to this Report.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Related-Party-Transaction-Policy.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This policy specifically deals with the review and approval of RPT, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

Your directors draw your attention to Note No 33 to the Standalone financial statements, which sets out related party disclosures.

16. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') formulated by the CSR Committee and approved by the Board and continues unchanged. The CSR policy sets out the guiding principles for the CSR Committee, inter-alia, in relation to the activities to be undertaken by the Company, as per Schedule VII to the Act, CSR Governance and implementation, Composition of Committee and monitoring of CSR activities. It guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy. The CSR Policy is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Stallion-Corporate-Social-Responsibility-Policy.pdf>

The key philosophy of the CSR initiative of the Company is to promote environmental sustainability, ecological balance, and conservation of natural resources, rural development projects, slum area development through following activities:

- **Tree plantation:** The prime focus of the Company is to plant trees in a sensitive western ghat area which is a vital activity that supports environmental sustainability, economic growth, and social well-being.
- **Community Hall for villagers:** Company has built a community hall dedicated to host weddings and other significant events of poor family daughters at an affordable cost or for free. It reduces the financial stress associated with renting expensive venues, allowing families to focus on the celebration rather than costs, also a dignified space for celebrations, enhancing the emotional well-being of the participants.
- **Converting barren land into fields:** Company has converted barren lands into productive fields which boosts food production, enhances economic opportunities, and improves livelihoods through job creation. It also restores soil health, reduces land degradation, and supports carbon sequestration, which in turn helps to combat climate change. Additionally, it increases biodiversity and can curb rural-urban migration by providing sustainable agricultural opportunities.

Company was obliged to spend Rs. 31,32,990/- (Rupees Thirty-one lakhs thirty-two thousand nine hundred ninety only) during the year, whereby, Company spent Rs. 62,01,765/- (Rupees Sixty-two lakhs one thousand seven hundred sixty-five only) on CSR activities. The Annual Report on CSR activities is annexed herewith and marked as **Annexure II** to this Report.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments

- The Board of Directors made the following appointments during the year under review in accordance with the Company's Articles of Association and Section 161(1) of the Companies Act, 2017 (the "Act"), subsequently approved by Members in Annual General Meeting held on 7th August, 2023:

Appointed Mr. Rajagopal Neelacantan (DIN: 00176806), Mr. Virenderkumar Mehta (DIN: 10207689) and Mr. Bankim Ashok Mehta (DIN: 00029785) as an Additional

Director (Non-Executive & Independent Director) not liable to retire by rotation, for a term of 5 consecutive years commencing from 03rd July, 2023 to 2nd July, 2028.

- Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors made the appointments of Mr. Gautam Lath (DIN: 10198794) w.e.f. 16th October, 2023 and Mr. Mukund Kandoi (DIN: 10483497) w.e.f. 31st January, 2024 as an Additional Director (Non-Executive & Independent Director) during the year under review in accordance with the Company's Articles of Association and Section 161(1) of the Act, subject to approval of the Members at the Annual General Meeting for the year under review.
- Mr. Shazad Sheriar Rustomji, Managing Director (DIN: 01923432) has been appointed as Chief Executive Officer of the Company with effect from 16th October, 2023 by the Board of the Directors of the Company.
- Mr. Ashish Mehta (PAN: AVRPM6963E) has been appointed as Chief Financial Officer of the Company with effect from 16th October, 2023 by the Board of Directors of the Company.
- Ms. Sarita Dharamdas Khamwani (Membership No. A26838) was appointed as Company Secretary of the Company with effect from 16th October, 2023.

Cessation

- Mr. Bankim Ashok Mehta (DIN: 00029785), resigned from his office as the Non-Executive & Independent Director of the Company with effect from 29th January, 2024. The Board placed on record its appreciation for the invaluable contribution made by Mr. Bankim Ashok Mehta during his association with the Company.
- Ms. Prachi Arun Walawalkar (Membership No. 45696), resigned from her office as the Company Secretary with effect from 16th October, 2023. The Board placed on record its appreciation for the valuable contribution made by Ms. Prachi Arun Walawalkar during her association with the Company.

Retirement by rotation

- In accordance with the provisions of the Act and the Articles of Association of the Company, Ms. Manisha Shazad Rustomji (DIN: 03186678), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, she has offered herself for re-appointment. The Board of Directors, on the

recommendation of the Nomination and Remuneration Committee ("NRC"), has recommended her appointment.

Key Managerial Personnel

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company:

- Shazad Sheriar Rustomji, Managing Director & CEO
- Ashish Mehta, Chief Financial Officer (w.e.f 16th October, 2023)
- Sarita Dharamdas Khamwani, Company Secretary (w.e.f 16th October, 2023)

Independent Directors

In terms of Section 149 of the Act, Mr. Rajagopal Neelacantan, Mr. Virenderkumar Mehta, Mr. Gautam Lath, and Mr. Mukund Kandoi are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, have complied with the Code for Independent Directors prescribed in Schedule IV to the Act, and are independent of the management. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of technology, digitalization, strategy, finance, governance, human resources, safety, sustainability, etc. and that they hold highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. They have undertaken and passed the online proficiency self-assessment test conducted by IICA.

18. PERFORMANCE EVALUATION

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including independent directors) which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. In

accordance with the manner of evaluation specified by the NRC, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors. The Independent Directors carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole.

The Chairperson of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on the report of evaluation received from respective Committees. A consolidated report on performance evaluation was shared with the Chairperson of the Board for his review and giving feedback to each Director.

19. AUDITORS AND AUDITORS' REPORT

(i) Statutory Auditors

M/s. Mittal & Associates, (Firm Registration No.: 106456W), Chartered Accountants, were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 07th August 2023. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

M/s. Doshi Praveen & Co, Chartered Accountants, Mumbai having Firm Registration Number - 102742W was appointed as the statutory auditor of the Company until the conclusion of the Annual General Meeting for the Financial Year 2023-24. They tendered their resignation on 20th January 2023, resulting in causing casual vacancy. To fill this casual vacancy, the Board of Directors recommended the appointment of M/s. Mittal & Associates, who were subsequently appointed at the Annual General Meeting held on 07th August 2023.

Further, the report of the Statutory Auditors along with notes to Schedules is a part of this Integrated Annual Report. There are qualifications or observations, or remarks made by the Auditors in their Report. There are statutory dues which have not been deposited on account of disputes as follows:

Nature of Statute	Nature of dues	Period to which the amount relates	Amount
Income Tax Act, 1961	Income Tax	December 12, 2019	1,08,000
Income Tax Act, 1961	Income Tax	April 22, 2015	4,77,000

Income Tax Act, 1961	Income Tax	August 09, 2018	1,70,000
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There are no dues of income tax, duty of exercise and service tax and value added tax have not been deposited with appropriate authorities on account of any disputes excepts below:

Nature of Statute	Nature of dues	Period to which the amount relates	Amount	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	AY 2012-23	56,25,000	Commissioner of Income Tax

The Notes on the Financial Statement referred to in the Statutory Auditors' Report are self-explanatory and do not call for any further comments.

(ii) Internal Auditor

Pursuant to provisions of section 138 of the Companies Act, 2013 (the "Act"), read with rule 13 of Companies (Accounts) Rules, 2014, Board had appointed M/s. Ankit Goyanka & Associates, Chartered Accountants (Firm Registration. No. 154590W) as an Internal Auditors of the Company, at the Board meeting held on 23rd April 2023 to conduct an internal audit of the functions and activities of the Company for the financial year 2023-24.

(iii) Cost Auditor

The provisions of section 148 and Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company.

(iv) Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder the Board had appointed M/s. Vihang Desai & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report relating thereto is annexed herewith and marked as **Annexure III** to this Report. The Secretarial Audit report contains the following qualifications:

The Company has not filed Form MSME-1 for the Financial Year 2023-24.

20. SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

There is no subsidiary, Joint venture or Associate Company as on 31st March, 2024.

21. MEETINGS OF THE BOARD

During the Financial Year 2023-24, the Company held 15 (fifteen) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 as follows 23.04.2023, 03.07.2023, 20.09.2023, 30.09.2023, 30.09.2023, 06.10.2023, 16.10.2023, 16.11.2023, 05.12.2023, 18.12.2023, 23.12.2023, 23.01.2024, 31.01.2024, 04.03.2024, 20.03.2024.

The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

Meeting attendance record of Directors for FY 2024

Name of director	Designation	No. of Board meetings attended	% Attendance last AGM held on of Director	Whether attended 07.08.2023
Shazad Sheriar Rustomji	Managing Director & CEO	15/15	100	Yes
Manisha Shazad Rustomji	Executive Director	15/15	100	Yes
Geetu Yadav	Executive Director	5/15	33.33	Yes
Rohan Shazad Rustomji	Executive Director	15/15	100	Yes
Rajagopal Neelacantan	Independent Director	13/13	100	Yes
Bankim Ashok Mehta	Independent Director	10/10	100	No
Virenderkumar Mehta	Independent Director	9/13	69	No
Gautam Lath	Independent Director	8/8	100	NA
Mukund Kandoi	Independent Director	2/2	100	NA

Committees

The Company has constituted following Committees during the year under review:

1. Audit Committee;
2. Corporate Social Responsibility Committee;
3. Nomination and Remuneration Committee;
4. Stakeholders Relationship Committee; and
5. Risk Management Committee

The composition of Committees and their meetings held during the year is as follows:

Audit Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on 16.10.2023
Virenderkumar Mehta	Independent Director	Chairman	✓
Rajagopal Neelacantan	Independent Director	Member	✓
Shazad Sheriar Rustomji	Managing Director & CEO	Member	✓

During the Financial Year 2023-24, the Audit Committee held 2 (two) meetings.

Corporate Social Responsibility Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on 23.01.2024
Shazad Sheriar Rustomji	Managing Director & CEO	Chairman	✓
Bankim Ashok Mehta	Independent Director	Member	✓
Rajagopal Neelacantan	Independent Director	Member	✓

During the Financial Year 2023-24, the Corporate Social Responsibility Committee held 1 (one) meeting.

Nomination and Remuneration Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on	
			16.10.2023	23.01.2024
Bankim Ashok Mehta	Independent Director	Chairman	✓	✓
Rajagopal Neelacantan	Independent Director	Member	✓	✓
Virenderkumar Mehta	Independent Director	Member	✓	✓
Shazad Sheriar Rustomji	Managing Director & CEO	Member	✓	✓

During the Financial Year 2023-24, the Nomination and Remuneration Committee held 2 (two) meetings.

Stakeholders Relationship Committee:

Name of Director	Nature of Relationship	Designation in committee
Rajagopal Neelacantan	Independent Director	Chairperson
Bankim Ashok Mehta	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

Risk Management Committee:

Name of Director	Nature of Relationship	Designation in committee
Virenderkumar Mehta	Independent Director	Chairman
Rajagopal Neelacantan	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

There were no instances when the recommendations of any of the Committees stated above were not accepted by the Board.

Due to change in the composition of the Board of Directors of the Company, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship

Committee, Corporate Social Responsibility Committee and Risk Management Committee were reconstituted.

The composition of reconstituted Committees and their meetings held during the year is as follows:

Re-constituted Audit Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on 16.11.2023
Gautam Lath	Additional Independent Director	Chairman	✓
Virenderkumar Mehta	Independent Director	Member	✓
Shazad Sheriar Rustomji	Managing Director & CEO	Member	✓

Re-constituted Corporate Social Responsibility Committee:

Name of Director	Nature of Relationship	Designation in committee
Shazad Sheriar Rustomji	Managing Director & CEO	Chairman
Mukund Kandoi	Additional Independent Director	Member
Rajagopal Neelacantan	Independent Director	Member

Re-constituted Nomination and Remuneration Committee:

Name of Director	Nature of Relationship	Designation in committee
Rajagopal Neelacantan	Independent Director	Chairman
Mukund Kandoi	Additional Independent Director	Member
Virenderkumar Mehta	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

Re-constituted Stakeholders Relationship Committee:

Name of Director	Nature of Relationship	Designation in committee
Rajagopal Neelacantan	Independent Director	Chairperson
Mukund Kandoi	Additional Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

Re-constituted Risk Management Committee:

Name of Director	Nature of Relationship	Designation in committee
Gautam Lath	Additional Independent Director	Chairman
Virenderkumar Mehta	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

22. VIGIL MECHANISM AND WHISTLE-BLOWER POLICY

The Company has established a robust Vigil Mechanism / Whistle-blower Policy in accordance with the provisions of the Act. The Whistle Blower Policy/vigil mechanism provides a route for directors/employees to report, without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the Company's code of conduct and instances of leak of unpublished price sensitive information, which are detrimental to the organization's interest. The mechanism protects the whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Board of Directors of the Company oversees and monitors the implementation of ethical business practices in the Company. Moreover, the Company reviews the complaints and incidents on a quarterly basis and reports them to the Audit Committee.

Employees and other stakeholders are required to report actual or suspected violations of applicable laws and regulations and the Code of Conduct. Such genuine concerns (termed "Reportable Matter") disclosed as per Policy are called "Protected Disclosures" and can be raised by a whistle-blower through an e-mail or a letter to the Company or to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle blower Policy is available on the Company's website and can be accessed at :

<https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Vigil-Mechanism.pdf>

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle-blower Policy of the Company was received by the Company.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not given any loan or guarantee or provided any security during the year under review.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- **Conservation of Energy:**

The particulars as required under the provisions of Section 134(3) of the Companies Act, 2013 in respect of conservation of energy and technology observation have not been furnished considering the nature of activities undertaken by the Company during the year under review.

- **Technology absorption:**

- i. the efforts made towards technology absorption; NIL
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; NIL
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL
 - a. the details of technology imported;
 - b. the year of import;
 - c. whether the technology been fully absorbed;
 - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development- NIL

- During the year the Company has made following foreign exchange Inflows and Outflows,

The information on foreign exchange earned in terms of actual inflows during the year is Rs.20,25,517.79 (Rupees Twenty lakhs twenty-five thousand five hundred seventeen and paise seventy-nine only) and the foreign exchange outgo during the year in term of actual outflows is Rs. 43,06,999.27(Rupees Forty-three lakhs six thousand nine hundred ninety-nine and twenty-seven paise only) as furnished in the Financial Statements -Notes to Accounts.

25. CORPORATE GOVERNANCE

Good corporate governance underpins the way we conduct business. The Company strives to evolve and follow the best governance practices, not just to boost long-term shareholder value, but also to respect minority rights. The Company considers the same as its inherent responsibility to disclose timely and accurate information to its stakeholders regarding its operations and performance, as well as the leadership and governance of the Company. Your Company is consistent in maintaining exemplary standards of corporate governance in the management of its affairs and ensuring its activities reflect the culture we wish to nurture with our colleagues and other stakeholders. To meet its obligations towards its shareholders and other stakeholders, the Company has a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business.

26. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2024 is available on the Company's website and can be accessed at: www.stallionfluorochemicals.com

27. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company holds a strong commitment to promoting a safe and professional work environment, that fosters teamwork, diversity and trust among all its employees. All employees regardless of position or contractual status, i.e., permanent, short-term contract, visitors and casual employees are covered under this Policy.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has formed an Internal Committee ('IC') for its workplaces to address complaints pertaining to sexual harassment accordance with the POSH Act. The

Company has a detailed policy for prevention of sexual harassment at workplace which ensures a free and fair enquiry process with clear timelines for resolution.

During the year under review, there were no complaints with allegation of sexual harassment filed with Internal Committee. The annual return for POSH has been filed for the period ended December 2023.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there has been no such significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

29. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS MADE BY AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Management is of the opinion that once the Company receives the order from the respective Authorities, the Company will take the initiative to pay all Statutory dues pending on account of disputes.

The Company is in the process of filing Form MSME-1 for the Financial Year 2023-24.

30. DEPOSITS

The Company has not invited/ accepted any deposits from the public during the year ended 31st March, 2024 also there were no unclaimed or unpaid deposits as on 31st March, 2024.

Company has outstanding unsecured loan from its directors amounting Rs. 14,88,98,053/- (Rupees Fourteen crores eighty-eight lakhs ninety-eight thousand fifty-three only).

31. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178

The Company has established a Board-approved policy regarding appointment of Directors, Key Managerial Personnel (KMP) and Senior Management (Appointment Policy). Additionally, there is a Remuneration Policy that governs the remuneration for Directors, KMPs, Senior Management, and other employees (Remuneration Policy).

The objective of the Appointment Policy is to provide a framework and establish standards for appointing Directors and KMPs. This policy ensures that appointees possess the capacity and capability to lead the Company in achieving its stated goals and strategic objectives. It takes into account the interests of all stakeholders, including shareholders, policyholders, channel partners and employees, while ensuring an appropriate balance of skills, experience, knowledge and expertise among its Directors.

The Board vide Board Meeting (BM) dated 16th October 2023 and the Shareholders vide Extra Ordinary General Meeting (EOGM) dated 10th November 2023 increased the remunerations of Directors and further vide BM dated 4th March 2024 the effective date of payment of increased remunerations was changed from 1st April 2024 to 1st August 2024.

32. REPORTING OF FRAUDS BY AUDITOR

There have been no instances of fraud reported by the Statutory Auditors under Section 143 (12) of the Acts & Rules framed thereunder either to the Company or to the Central Government.

33. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before NCLT or other court(s).

However, on 2nd December 2021, Sanmei's legal representatives issued a notice under the Insolvency and Bankruptcy Code (IBC), demanding Rs. 1,032.25 lakhs

(approximately USD 12,51,290.00) for a disputed amount allegedly owed by the Company. Despite being informed about the ongoing dispute and urged to adhere to the terms of the agreed contract, Sanmei disregarded the issue and issued a reminder notice.

In fiscal year 2021, the Company and Zhejiang Sanmei Chemical Industry Co., Ltd ("Sanmei"), a Chinese firm, entered into contracts for supply of various refrigerants, including R410a, R32, and R470C, to be filled and delivered in returnable ISO tanks. Sanmei failed to meet its contractual obligations, defaulting on the agreed-upon delivery requirements and terms. Despite repeated requests, Sanmei did not adhere to the contracted supply, causing the Company to fall short in fulfilling its commitments to the customers, which resulted in both financial loss and reputational damage to the Company.

Based on the management discussions and legal counsel's advice, the Company does not anticipate any outflow related to this contingent liability. Should Sanmei decide to proceed with a formal application before National Company Law Tribunal (NCLT) under Section 9 of the IBC, the Company is confident in its ability to defend its position robustly.

34. ACKNOWLEDGEMENT

The Board of Directors wishes to express its deep appreciation for the dedicated services of all the employees of the Company. Additionally, the Board would like to sincerely thank the government and regulatory authorities, stock exchanges, depositories, banks, customers, vendors and members for their valuable assistance and cooperation during the year under review.

BY ORDER OF THE BOARD
FOR STALLION INDIA FLUOROCHEMICALS LIMITED
(Formerly Known as Stallion India Fluorochemicals Private Limited)



SHAZAD SHERIAR RUSTOMJI
MANAGING DIRECTOR & CEO
DIN: 01923432
Date: 13.08.2024
Place: Mumbai



ROHAN SHAZAD RUSTOMJI
DIRECTOR
DIN: 09312347

Annexure - I

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: NA
2. Details of contracts or arrangements or transactions at Arm's length basis:

Name of the Related party	Nature of Relationship	Nature of contracts/arrangements / Transaction	Duration of the contracts /arrangements /transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
Stallion Enterprises	Mr. Shazad Rustomji, Managing Director is a proprietor of Stallion Enterprises	Sale of Goods	On-going, till further decision of the Board	NA 10,92,96,000	23.04.2023	Nil
Stallion Enterprises	Mr. Shazad Rustomji, Managing Director is a proprietor of Stallion Enterprises	Purchase of Goods	On-going, till further decision of the Board	NA 2,92,02,386	23.04.2023	Nil
Stallion Enterprises	Mr. Shazad Rustomji, Managing	Rent Paid	On-going, till further	NA	23.04.2023	Nil

	Director is a proprietor of Stallion Enterprises		decision of the Board	6,00,000		
Mr. Shazad Sheriar Rustomji	Managing Director & CEO	Rent Paid	On-going	NA 74,20,000	NA	Nil
Mr. Shazad Sheriar Rustomji	Managing Director & CEO	Availing or rendering of any services	On-going	NA 14,88,98,053	NA	Nil
Mr. Shazad Sheriar Rustomji	Managing Director & CEO	Remunerati on Paid	5 years from 1 st April, 2022 to 31 st March, 2027	Terms & Condition as mentioned in Board Resolution dated 10 th February, 2022 24,00,000	NA	Nil
Ms. Manisha Shazad Rustomji	Director	Remunerati on Paid	On-going	NA 12,00,000	NA	Nil
Ms. Geetu Yadav	Director	Remunerati on Paid	On-going	Terms & Condition mentioned in Board Resolution dated 20 th August, 2020 30,00,000	NA	Nil
Mr. Rohan Shazad Rustomji	Director	Remunerati on Paid	On-going	Terms & Condition as mentioned in Board Resolution dated 24 th September, 2021 5,30,000	NA	NA

Mr. Ashish Mehta	Chief Financial Officer	Remuneration Paid	On-going	Terms & Condition mentioned in Board Resolution dated 16 th October, 2023 6,00,000	NA	NA
Ms. Prachi Walawalkar	Company Secretary	Remuneration Paid	On-going	NA 90,000	NA	NA
Ms. Sarita Dharamdas Khamwani	Company Secretary & Compliance Officer	Remuneration Paid	On-going	Terms & Condition mentioned in Board Resolution dated 16 th October, 2023 3,26,000	NA	NA

For **STALLION INDIA FLUOROCHEMICALS LIMITED**
(Formerly known as Stallion India Fluorochemicals Private Limited)

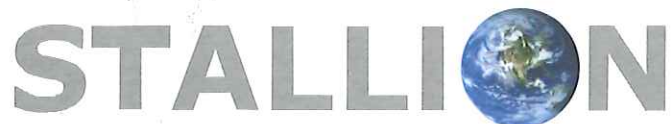


Shazad Sheriar Rustomji
Managing Director & CEO
DIN: 01923432




Rohan Shazad Rustomji
Director
DIN: 09312347

Place: Mumbai
Date: 07/08/2024



Stallion India Fluorochemicals Ltd.

CIN - U51410MH2002PLC137076

2, A-Wing, Knox Plaza, Off Link Road,
MindSpace, Malad (W), Mumbai - 400 064.

Tel.: 022-4351 0000

Email: sf@stallion.in

STALLION INDIA FLUOROCHEMICALS LIMITED
(Formerly Known as Stallion India Fluorochemicals
Private Limited)
(CIN - U51410MH2002PLC137076)

ANNUAL REPORT FOR THE FINANCIAL YEAR
2023-24

REFERENCE INFORMATION

REGISTERED OFFICE:

2, A Wing, Knox Plaza, Off. Link Road, Mindspace,
Malad West, Mumbai 400064

BOARD OF DIRECTORS AND KMPs:

Non-Independent, Executive

1. Mr. Shazad Sheriar Rustomji
2. Ms. Manisha Shazad Rustomji
3. Ms. Geetu Yadav
4. Mr. Rohan Shazad Rustomji

Independent, Non-Executive

5. Mr. Rajagopal Neelacantan
6. Mr. Virenderkumar Mehta
7. Mr. Gautam Lath
8. Mr. Mukund Kandoi

Company Secretary & Compliance Officer

Ms. Sarita Dharamdas Khamwani
(Company Secretary w.e.f. 16th October 2023)

Chief Financial Officer:

Ashish Mehta

AUDITOR:

M/s. Mittal & Associates,
Chartered Accountants
Firm Registration No.: 106456W
(Statutory Auditor)

M/s. Ankit Goyanka & Associates
Chartered Accountants
Firm Registration No.: 154590W
(Internal Auditor)

M/s. Vihang Desai & Associates,
Company Secretaries
CP No.: 17435
(Secretarial Auditor)

COMMITTEES OF BOARD

Audit Committee

Gautam Lath	Chairman
Virenderkumar Mehta	Member
Shazad Sheriar Rustomji	Member

Corporate Social Responsibility Committee:

Shazad Sheriar Rustomji	Chairman
Mukund Kandoi	Member
Rajagopal Neelacantan	Member

Nomination and Remuneration Committee:

Rajagopal Neelacantan	Chairman
Mukund Kandoi	Member
Virenderkumar Mehta	Member
Shazad Sheriar Rustomji	Member

BANKER

ICICI Bank Limited

REGISTRAR AND TRANSFER AGENT

Bigshare Services Private Limited

Stakeholders Relationship Committee:

Rajagopal Neelacantan	Chairman
Mukund Kandoi	Member
Shazad Sheriar Rustomji	Member

Risk Management Committee:

Gautam Lath	Chairman
Virenderkumar Mehta	Member
Shazad Sheriar Rustomji	Member

BOARD'S REPORT

To,
The Members of,
Stallion India Fluorochemicals Limited.
(Formerly Known as Stallion India Fluorochemicals Private Limited)

The Directors are pleased to present the twenty-second Annual Report on the performance of the Company, along with the Company's Audited Financial Statements for the Financial Year ended 31st March, 2024.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's Financial Performance for the year ended 31st March, 2024, is summarized as follows:

Particulars	(Amount in Lakhs)	
	2023-2024	2022-2023
Profit Before Exceptional Items and Tax	2,159.20	2,326.19
Add: Exceptional Items (Net)	-	-
Less:	-	-
- Current Tax	612.24	829.44
- Deferred Tax	(0.50)	(127.65)
Profit for the Year	1,547.47	1,624.40
Add: Other Comprehensive Income	0.38	1.35
Total Comprehensive Income for the year	1,547.85	1,625.75
Add: Balance in Retained Earnings Account (including Other Comprehensive income)	3,762.44	2,214.97
Sub-Total	5,310.29	3,840.72
Less: Appropriation		
Transferred to General Reserve	-	-
Dividend on Equity Shares	-	-
Closing Balance (including Other Comprehensive income)	5,310.29	3,840.72

2. RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS

The highlights of your Company's Performance for the year ended 31st March, 2024, as compared to the previous year are as follows:

Your Company's performance during the year under report has overall improved. The Company's gross turnover increased by 3.43% to Rs. 233,23,58,048/- (Rupees Two hundred thirty-three crores twenty-three lakhs fifty-eight thousand forty-eight only) during the year compared to Rs. 225,50,43,964/- (Rupees Two hundred twenty-five crores fifty lakhs forty-three thousand nine hundred sixty-four Only) in the previous year. Company's total expenditure was also increased which made an impact on the net profit of the Company and reduced the Net Profit by 4.79% to Rs. 15,47,85,340 /- (Rupees Fifteen crores forty-seven lakhs eighty-five thousand three hundred forty only) during the year compared to Rs. 16,25,74,831/- (Rupees Sixteen crores twenty-five lakhs seventy-four thousand eight hundred thirty-one only) in previous year.

3. BUSINESS OVERVIEW

The Company is into the business of selling Refrigerant gases and Industrial Gases and related products. Its primary business consists of debulking, blending and processing of refrigerant and Industrial gases and selling of pre-filled cans.

- **Refrigerants** are gases used in various cooling systems, such as air conditioners and refrigerators, to absorb and release heat during the refrigeration cycle.
- **Debulking** - It is the process where gases from Bulk transport containers of 20,000 Kilos (called ISO Tanks) are unloaded into the Company's Bulk Storage Tanks for Bulk storage and onwards processing or blending.
- **Blending** - It is a process done by mixing two or more gases in a process with controlled volumes, ratio, temperatures to create an entirely new Gas mixture or "Blend" with specific properties suitable for a particular application.

We have four facilities which are located at Khalapur, Raigad (Maharashtra), Ghiloth, Alwar (Rajasthan), Manesar, Gurugram (Haryana), and Panvel, Raigad (Maharashtra). The primary objective of the Company is to establish itself as a reliable supplier of refrigerants gases, catering to both bulk and small cylinder/container requirements to original equipment manufacturers (OEM's). Our gases find application in various industries/segments such as Air conditioners & Refrigerators, Fire Fighting, Semiconductor manufacturing, Automobile Manufacturing, Pharma and Medicals, Semiconductors, Glass bottle manufacturing, Aerosols and Spray foam. With over two

decades of extensive experience in large-scale Fluorochemicals debulking bottling & distribution, the Company have specialized in refrigerants gases by blending two or more gases to create new formulations.

4. DIVIDEND

In order to strengthen the financial position of the Company and investing into working capital requirement for future business expansion, the Directors has not recommended any dividend during and for the year under review.

The Board of Directors at its meeting held on 16th October, 2023 adopted the Dividend Distribution Policy. It provides the details of parameters for overall payout and a greater flexibility for the Board in taking decisions for rewarding the shareholders of the Company and returning cash to them from time to time. The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Dividend-Declaration-Policy.pdf>

5. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits for FY 2023-24 in the retained earnings.

6. CAPITAL STRUCTURE OF THE COMPANY

Share Capital	31 st March, 2024	31 st March, 2023
Authorized		
13,00,00,000 Equity Shares of Rs. 10/- each	1,30,00,00,000	60,00,00,000
Issued, Subscribed and Paid up		
6,14,66,514 Equity Shares of Rs.10/- each fully paid-up	61,46,65,140	55,12,50,000

- The Memorandum of Association of the Company was amended in the Annual General Meeting held on 07th August, 2023 to increase the authorised share capital of the Company from Rs. 60,00,00,000/- (Rupees Sixty crores only) consisting of 6,00,00,000 Equity shares to Rs. 1,30,00,00,000/- (Rupees One hundred thirty crores only) consisting of 13,00,00,000 Equity shares.

- The Company had issued 63,41,514 (Sixty-three lakhs forty-one thousand five hundred fourteen only) equity shares of face value of Rs. 10/- (Rupees Ten only) each at Premium of Rs. 41.20 (Rupees Forty-one and twenty paise only) for consideration other than cash on a preferential basis for purchase of M/s Stallion Enterprises proprietary concern of Mr. Shazad Sheriar Rustomji, the Managing Director of the Company, as a going concern on slump sale basis, approved in duly held Extra Ordinary General Meeting dated 30th September, 2023. The Board had approved this allotment in a duly held board meeting dated 30th September, 2023. The Company had obtained the Share Valuation Report from Abhishek S Tiwari, Registered Valuer the securities or Financial Assets dated 15th September, 2023 and the value of the equity share was determined Rs. 51.20 (Rupees Fifty-one and twenty paise only) per share.

Therefore, paid-up share capital has increased from Rs. 55,12,50,000/- (Fifty-five crores twelve lakhs fifty thousand only) to Rs. 61,46,65,140/- (Sixty-one crores forty-six lakhs sixty-five thousand one hundred and forty only).

- The Company dematerialized its shares by appointing Bigshare Services Private Limited, Registrar & Transfer Agent (RTA) in its duly held Board Meeting dated 16th October 2023, having CDSL & NSDL ISIN: INE0RYC01010.

7. MAJOR EVENTS OCCURRED DURING THE YEAR

The Company was converted from a Private Limited to Public Limited, thus the name of the Company has been changed from "Stallion India Fluorochemicals Private Limited" to "Stallion India Fluorochemicals Limited" pursuant to a special resolution passed by the shareholders of the Company on 07th August, 2023. A fresh certificate of incorporation dated 05th October, 2023 was issued by the Registrar of Companies ("ROC") consequent upon change of name upon conversion into a public limited company under the Companies Act, 2013.

The Company has proposed, subject to receipt of requisite approvals, market conditions and other considerations, for an Initial Public Offer of the equity shares of the Company through Fresh Issue and Offer for sale of Equity Shares in order to finance the expansion plans, meeting the working capital requirements and other objects of the Company and to achieve the benefits of listing. The offer size of fresh issue (the "Fresh Issue") not exceeding Rs. 200,00,00,000/- (Rupees Two hundred crores Only) and offer size of Offer for Sale ("OFS") not exceeding Rs. 75,00,00,000/-

(Rupees Seventy-five crores only) of face value of Rs. 10/- (Rupees Ten only) each. The Company had filed Draft Red Herring Prospectus (DRHP) for proposed Initial Public Offer (IPO) on 18th December, 2023 after obtaining Member's approval in duly held Extra Ordinary General Meeting dated 30th November, 2023 by passing Special Resolution. Whereas the Company had received the observation and suggestion from SEBI vide letter SEBI/HO/RAC-DIL2/P/OW/2024/3266 dated 01st January, 2024, whereby the Company had re-submitted the Draft Offer Document post applicable changes in compliance with the relevant provisions of SEBI ICDR Regulations, 2018.

During the period ended 30th September, 2023, the Company has acquired Stallion Enterprises, a proprietary concern owned by Mr. Shazad Sheriar Rustomji, Managing Director of the Company, under slump sale through business transfer agreement dated 30th September, 2023. This transaction was approved by the Shareholders of the Company on 28th September, 2023 and was consummated on 30th September, 2023 through preferential issue of 63,41,514 equity shares of the Company to Mr. Shazad Sheriar Rustomji at a price of Rs. 51.20 (Rupees Fifty-one and Twenty Paise Only) per equity share.

8. POLICIES OF THE COMPANY

The Company, during the year under review, has adopted the aforesaid policies for the better corporate governance.

1. Code of Conduct for Board of Directors and Senior Managerial Personnel
2. Code of Conduct for Suppliers
3. Nomination and Remuneration Policy
4. Policy for Determination of Materiality of Events or Information
5. Related Party Transaction Policy
6. Code of Conduct for Fair Price Disclosure
7. Corporate Policy on Internal Controls
8. Vendors and Channel Partners Whistle Blower Policy
9. Vigil Mechanism Whistle Blower
10. Investor Grievance Redressal Policy
11. Policy on Identification of Material Litigations
12. Dividend Distribution Policy
13. Insider Trading Policy
14. Policy on Archival of Documents
15. Policy on Identification of Material Creditors

16. Risk Management Policy
17. Policy for Identification of Material Group Companies
18. Policy on determining Material Subsidiaries
19. Material Dues
20. Policy for Appointment and Terms of Independent Directors
21. Policy on Remuneration for Non-Executive Directors
22. Policy for Preservation of Documents
23. Succession Policy for the Board and Senior Management policy
24. Corporate Environment Health & Safety (EHS) Policy
25. Prevention of sexual harassment (POSH) at Workplace Policy
26. Human Resource Policy
27. Quality Policy
28. Corporate Social Responsibility (CSR) Policy Framework
29. Sustainability Policy

The said policies are available on the website of the Company at <https://stallionfluorochemicals.com/policies/>

9. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes or commitments affecting the financial position of the Company, which occurred between the end of the financial year 2023-24 and the date of this Report.

10. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company did not have any amounts due or outstanding as of the Balance Sheet date to be credited to the Investor Education and Protection Fund. Therefore, provisions of Section 125(2) of the Companies Act, 2013 do not apply during the year of review.

11. INTERNAL FINANCIAL CONTROLS

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, and such internal financial controls with reference to the financial statements are adequate.

12. RISK MANAGEMENT

Risk Management at your Company forms an integral part of Management focus. The Company has in place a Risk Management Policy which provides for a robust risk management framework to identify and assess risks such as safety, health and environment, operational, strategic, financial, security, property, regulatory, reputational and other risks and put in place an adequate risk management infrastructure capable of addressing these risks.

The Risk Management Committee has been constituted to identify, monitor and report on the potential risks associated with the Company's business and periodically keeps the Board of Directors apprised of such risks and the measures taken by the Company to mitigate such risks. The Policy on Risk Management approved by the Board is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Risk-Management-Policy.pdf>

Given below are significant potential risks to the Company and measures in place to mitigate them:

Operational Risk: Disruptions in operating the Company's pipelines, cylinders and equipment may arise due to natural calamities, equipment failures or other unexpected or unforeseen interruptions. The Company consistently works towards monitoring the health of the pipelines through internal checks and external audit assurance and maintaining or improving operational efficiencies.

Safety, Health and Environment Risks: The Company's activities of transporting products through its pipelines and cylinders are inherently hazardous. Any accident, explosion, leakages or acts of terrorism may cause property damage or bodily injury and adversely impact surrounding communities and environment which may result in litigations and disruption of operations. The Company has structured inspections of its operating facilities for identifying and mapping operational hazards, investigating root cause analysis and to eliminate any such occurrence by developing mitigation plans.

Further, there is a comprehensive insurance plan in place to cover the above risks.

13. SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively issued by the Institute of Company Secretaries of India and such systems were adequate and operating effectively.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that,

- a. in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arms' length basis and do not have potential conflict with interest of the Company at large.

The contracts / arrangements / transactions with related party which are required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith and marked as Annexure I to this Report.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Related-Party-Transaction-Policy.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This policy specifically deals with the review and approval of RPT, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

Your directors draw your attention to Note No 33 to the Standalone financial statements, which sets out related party disclosures.

16. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') formulated by the CSR Committee and approved by the Board and continues unchanged. The CSR policy sets out the guiding principles for the CSR Committee, inter-alia, in relation to the activities to be undertaken by the Company, as per Schedule VII to the Act, CSR Governance and implementation, Composition of Committee and monitoring of CSR activities. It guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy. The CSR Policy is available on the Company's website and can be accessed at: <https://stallionfluorochemicals.com/PDFs/Stallion-Corporate-Social-Responsibility-Policy.pdf>

The key philosophy of the CSR initiative of the Company is to promote environmental sustainability, ecological balance, and conservation of natural resources, rural development projects, slum area development through following activities:

- **Tree plantation:** The prime focus of the Company is to plant trees in a sensitive western ghat area which is a vital activity that supports environmental sustainability, economic growth, and social well-being.
- **Community Hall for villagers:** Company has built a community hall dedicated to host weddings and other significant events of poor family daughters at an affordable cost or for free. It reduces the financial stress associated with renting expensive venues, allowing families to focus on the celebration rather than costs, also a dignified space for celebrations, enhancing the emotional well-being of the participants.
- **Converting barren land into fields:** Company has converted barren lands into productive fields which boosts food production, enhances economic opportunities, and improves livelihoods through job creation. It also restores soil health, reduces land degradation, and supports carbon sequestration, which in turn helps to combat climate change. Additionally, it increases biodiversity and can curb rural-urban migration by providing sustainable agricultural opportunities.

Company was obliged to spend Rs. 31,32,990/- (Rupees Thirty-one lakhs thirty-two thousand nine hundred ninety only) during the year, whereby, Company spent Rs. 62,01,765/- (Rupees Sixty-two lakhs one thousand seven hundred sixty-five only) on CSR activities. The Annual Report on CSR activities is annexed herewith and marked as **Annexure II** to this Report.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments

- The Board of Directors made the following appointments during the year under review in accordance with the Company's Articles of Association and Section 161(1) of the Companies Act, 2017 (the "Act"), subsequently approved by Members in Annual General Meeting held on 7th August, 2023:

Appointed Mr. Rajagopal Neelacantan (DIN: 00176806), Mr. Virenderkumar Mehta (DIN: 10207689) and Mr. Bankim Ashok Mehta (DIN: 00029785) as an Additional

Director (Non-Executive & Independent Director) not liable to retire by rotation, for a term of 5 consecutive years commencing from 03rd July, 2023 to 2nd July, 2028.

- Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors made the appointments of Mr. Gautam Lath (DIN: 10198794) w.e.f. 16th October, 2023 and Mr. Mukund Kandoi (DIN: 10483497) w.e.f. 31st January, 2024 as an Additional Director (Non-Executive & Independent Director) during the year under review in accordance with the Company's Articles of Association and Section 161(1) of the Act, subject to approval of the Members at the Annual General Meeting for the year under review.
- Mr. Shazad Sheriar Rustomji, Managing Director (DIN: 01923432) has been appointed as Chief Executive Officer of the Company with effect from 16th October, 2023 by the Board of the Directors of the Company.
- Mr. Ashish Mehta (PAN: AVRPM6963E) has been appointed as Chief Financial Officer of the Company with effect from 16th October, 2023 by the Board of Directors of the Company.
- Ms. Sarita Dharamdas Khamwani (Membership No. A26838) was appointed as Company Secretary of the Company with effect from 16th October, 2023.

Cessation

- Mr. Bankim Ashok Mehta (DIN: 00029785), resigned from his office as the Non-Executive & Independent Director of the Company with effect from 29th January, 2024. The Board placed on record its appreciation for the invaluable contribution made by Mr. Bankim Ashok Mehta during his association with the Company.
- Ms. Prachi Arun Walawalkar (Membership No. 45696), resigned from her office as the Company Secretary with effect from 16th October, 2023. The Board placed on record its appreciation for the valuable contribution made by Ms. Prachi Arun Walawalkar during her association with the Company.

Retirement by rotation

- In accordance with the provisions of the Act and the Articles of Association of the Company, Ms. Manisha Shazad Rustomji (DIN: 03186678), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, she has offered herself for re-appointment. The Board of Directors, on the

recommendation of the Nomination and Remuneration Committee ("NRC"), has recommended her appointment.

Key Managerial Personnel

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company:

- Shazad Sheriar Rustomji, Managing Director & CEO
- Ashish Mehta, Chief Financial Officer (w.e.f 16th October, 2023)
- Sarita Dharamdas Khamwani, Company Secretary (w.e.f 16th October, 2023)

Independent Directors

In terms of Section 149 of the Act, Mr. Rajagopal Neelacantan, Mr. Virenderkumar Mehta, Mr. Gautam Lath, and Mr. Mukund Kandoi are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, have complied with the Code for Independent Directors prescribed in Schedule IV to the Act, and are independent of the management. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of technology, digitalization, strategy, finance, governance, human resources, safety, sustainability, etc. and that they hold highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. They have undertaken and passed the online proficiency self-assessment test conducted by IICA.

18. PERFORMANCE EVALUATION

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including independent directors) which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. In

accordance with the manner of evaluation specified by the NRC, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors. The Independent Directors carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole.

The Chairperson of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on the report of evaluation received from respective Committees. A consolidated report on performance evaluation was shared with the Chairperson of the Board for his review and giving feedback to each Director.

19. AUDITORS AND AUDITORS' REPORT

(i) Statutory Auditors

M/s. Mittal & Associates, (Firm Registration No.: 106456W), Chartered Accountants, were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 07th August 2023. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

M/s. Doshi Praveen & Co, Chartered Accountants, Mumbai having Firm Registration Number - 102742W was appointed as the statutory auditor of the Company until the conclusion of the Annual General Meeting for the Financial Year 2023-24. They tendered their resignation on 20th January 2023, resulting in causing casual vacancy. To fill this casual vacancy, the Board of Directors recommended the appointment of M/s. Mittal & Associates, who were subsequently appointed at the Annual General Meeting held on 07th August 2023.

Further, the report of the Statutory Auditors along with notes to Schedules is a part of this Integrated Annual Report. There are qualifications or observations, or remarks made by the Auditors in their Report. There are statutory dues which have not been deposited on account of disputes as follows:

Nature of Statute	Nature of dues	Period to which the amount relates	Amount
Income Tax Act, 1961	Income Tax	December 12, 2019	1,08,000
Income Tax Act, 1961	Income Tax	April 22, 2015	4,77,000

Income Tax Act, 1961	Income Tax	August 09, 2018	1,70,000
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There are no dues of income tax, duty of exercise and service tax and value added tax have not been deposited with appropriate authorities on account of any disputes excepts below:

Nature of Statute	Nature of dues	Period to which the amount relates	Amount	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	AY 2012-23	56,25,000	Commissioner of Income Tax

The Notes on the Financial Statement referred to in the Statutory Auditors' Report are self-explanatory and do not call for any further comments.

(ii) Internal Auditor

Pursuant to provisions of section 138 of the Companies Act, 2013 (the "Act"), read with rule 13 of Companies (Accounts) Rules, 2014, Board had appointed M/s. Ankit Goyanka & Associates, Chartered Accountants (Firm Registration. No. 154590W) as an Internal Auditors of the Company, at the Board meeting held on 23rd April 2023 to conduct an internal audit of the functions and activities of the Company for the financial year 2023-24.

(iii) Cost Auditor

The provisions of section 148 and Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company.

(iv) Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder the Board had appointed M/s. Vihang Desai & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report relating thereto is annexed herewith and marked as **Annexure III** to this Report. The Secretarial Audit report contains the following qualifications:

The Company has not filed Form MSME-1 for the Financial Year 2023-24.

20. SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

There is no subsidiary, Joint venture or Associate Company as on 31st March, 2024.

21. MEETINGS OF THE BOARD

During the Financial Year 2023-24, the Company held 15 (fifteen) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 as follows 23.04.2023, 03.07.2023, 20.09.2023, 30.09.2023, 30.09.2023, 06.10.2023, 16.10.2023, 16.11.2023, 05.12.2023, 18.12.2023, 23.12.2023, 23.01.2024, 31.01.2024, 04.03.2024, 20.03.2024.

The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

Meeting attendance record of Directors for FY 2024

Name of director	Designation	No. of Board meetings attended	% Attendance last AGM held on of Director	Whether attended 07.08.2023
Shazad Sheriar Rustomji	Managing Director & CEO	15/15	100	Yes
Manisha Shazad Rustomji	Executive Director	15/15	100	Yes
Geetu Yadav	Executive Director	5/15	33.33	Yes
Rohan Shazad Rustomji	Executive Director	15/15	100	Yes
Rajagopal Neelacantan	Independent Director	13/13	100	Yes
Bankim Ashok Mehta	Independent Director	10/10	100	No
Virenderkumar Mehta	Independent Director	9/13	69	No
Gautam Lath	Independent Director	8/8	100	NA
Mukund Kandoi	Independent Director	2/2	100	NA

Committees

The Company has constituted following Committees during the year under review:

1. Audit Committee;
2. Corporate Social Responsibility Committee;
3. Nomination and Remuneration Committee;
4. Stakeholders Relationship Committee; and
5. Risk Management Committee

The composition of Committees and their meetings held during the year is as follows:

Audit Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on 16.10.2023
Virenderkumar Mehta	Independent Director	Chairman	✓
Rajagopal Neelacantan	Independent Director	Member	✓
Shazad Sheriar Rustomji	Managing Director & CEO	Member	✓

During the Financial Year 2023-24, the Audit Committee held 2 (two) meetings.

Corporate Social Responsibility Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on 23.01.2024
Shazad Sheriar Rustomji	Managing Director & CEO	Chairman	✓
Bankim Ashok Mehta	Independent Director	Member	✓
Rajagopal Neelacantan	Independent Director	Member	✓

During the Financial Year 2023-24, the Corporate Social Responsibility Committee held 1 (one) meeting.

Nomination and Remuneration Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on	
			16.10.2023	23.01.2024
Bankim Ashok Mehta	Independent Director	Chairman	✓	✓
Rajagopal Neelacantan	Independent Director	Member	✓	✓
Virenderkumar Mehta	Independent Director	Member	✓	✓
Shazad Sheriar Rustomji	Managing Director & CEO	Member	✓	✓

During the Financial Year 2023-24, the Nomination and Remuneration Committee held 2 (two) meetings.

Stakeholders Relationship Committee:

Name of Director	Nature of Relationship	Designation in committee
Rajagopal Neelacantan	Independent Director	Chairperson
Bankim Ashok Mehta	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

Risk Management Committee:

Name of Director	Nature of Relationship	Designation in committee
Virenderkumar Mehta	Independent Director	Chairman
Rajagopal Neelacantan	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

There were no instances when the recommendations of any of the Committees stated above were not accepted by the Board.

Due to change in the composition of the Board of Directors of the Company, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship

Committee, Corporate Social Responsibility Committee and Risk Management Committee were reconstituted.

The composition of reconstituted Committees and their meetings held during the year is as follows:

Re-constituted Audit Committee:

Name of Director	Nature of Relationship	Designation in committee	Meeting on 16.11.2023
Gautam Lath	Additional Independent Director	Chairman	✓
Virenderkumar Mehta	Independent Director	Member	✓
Shazad Sheriar Rustomji	Managing Director & CEO	Member	✓

Re-constituted Corporate Social Responsibility Committee:

Name of Director	Nature of Relationship	Designation in committee
Shazad Sheriar Rustomji	Managing Director & CEO	Chairman
Mukund Kandoi	Additional Independent Director	Member
Rajagopal Neelacantan	Independent Director	Member

Re-constituted Nomination and Remuneration Committee:

Name of Director	Nature of Relationship	Designation in committee
Rajagopal Neelacantan	Independent Director	Chairman
Mukund Kandoi	Additional Independent Director	Member
Virenderkumar Mehta	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

Re-constituted Stakeholders Relationship Committee:

Name of Director	Nature of Relationship	Designation in committee
Rajagopal Neelacantan	Independent Director	Chairperson
Mukund Kandoi	Additional Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

Re-constituted Risk Management Committee:

Name of Director	Nature of Relationship	Designation in committee
Gautam Lath	Additional Independent Director	Chairman
Virenderkumar Mehta	Independent Director	Member
Shazad Sheriar Rustomji	Managing Director & CEO	Member

22. VIGIL MECHANISM AND WHISTLE-BLOWER POLICY

The Company has established a robust Vigil Mechanism / Whistle-blower Policy in accordance with the provisions of the Act. The Whistle Blower Policy/vigil mechanism provides a route for directors/employees to report, without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the Company's code of conduct and instances of leak of unpublished price sensitive information, which are detrimental to the organization's interest. The mechanism protects the whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Board of Directors of the Company oversees and monitors the implementation of ethical business practices in the Company. Moreover, the Company reviews the complaints and incidents on a quarterly basis and reports them to the Audit Committee.

Employees and other stakeholders are required to report actual or suspected violations of applicable laws and regulations and the Code of Conduct. Such genuine concerns (termed "Reportable Matter") disclosed as per Policy are called "Protected Disclosures" and can be raised by a whistle-blower through an e-mail or a letter to the Company or to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle blower Policy is available on the Company's website and can be accessed at :

<https://stallionfluorochemicals.com/PDFs/Governance-Policies/Stallion-Vigil-Mechanism.pdf>

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle-blower Policy of the Company was received by the Company.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not given any loan or guarantee or provided any security during the year under review.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- **Conservation of Energy:**

The particulars as required under the provisions of Section 134(3) of the Companies Act, 2013 in respect of conservation of energy and technology observation have not been furnished considering the nature of activities undertaken by the Company during the year under review.

- **Technology absorption:**

- i. the efforts made towards technology absorption; NIL
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; NIL
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL
 - a. the details of technology imported;
 - b. the year of import;
 - c. whether the technology been fully absorbed;
 - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development- NIL

- During the year the Company has made following foreign exchange Inflows and Outflows,

The information on foreign exchange earned in terms of actual inflows during the year is Rs.20,25,517.79 (Rupees Twenty lakhs twenty-five thousand five hundred seventeen and paisa seventy-nine only) and the foreign exchange outgo during the year in term of actual outflows is Rs. 43,06,999.27(Rupees Forty-three lakhs six thousand nine hundred ninety-nine and twenty-seven paisa only) as furnished in the Financial Statements -Notes to Accounts.

25. CORPORATE GOVERNANCE

Good corporate governance underpins the way we conduct business. The Company strives to evolve and follow the best governance practices, not just to boost long-term shareholder value, but also to respect minority rights. The Company considers the same as its inherent responsibility to disclose timely and accurate information to its stakeholders regarding its operations and performance, as well as the leadership and governance of the Company. Your Company is consistent in maintaining exemplary standards of corporate governance in the management of its affairs and ensuring its activities reflect the culture we wish to nurture with our colleagues and other stakeholders. To meet its obligations towards its shareholders and other stakeholders, the Company has a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business.

26. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2024 is available on the Company's website and can be accessed at: www.stallionfluorochemicals.com

27. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company holds a strong commitment to promoting a safe and professional work environment, that fosters teamwork, diversity and trust among all its employees. All employees regardless of position or contractual status, i.e., permanent, short-term contract, visitors and casual employees are covered under this Policy.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has formed an Internal Committee ('IC') for its workplaces to address complaints pertaining to sexual harassment accordance with the POSH Act. The

Company has a detailed policy for prevention of sexual harassment at workplace which ensures a free and fair enquiry process with clear timelines for resolution.

During the year under review, there were no complaints with allegation of sexual harassment filed with Internal Committee. The annual return for POSH has been filed for the period ended December 2023.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there has been no such significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

29. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS MADE BY AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Management is of the opinion that once the Company receives the order from the respective Authorities, the Company will take the initiative to pay all Statutory dues pending on account of disputes.

The Company is in the process of filing Form MSME-1 for the Financial Year 2023-24.

30. DEPOSITS

The Company has not invited/ accepted any deposits from the public during the year ended 31st March, 2024 also there were no unclaimed or unpaid deposits as on 31st March, 2024.

Company has outstanding unsecured loan from its directors amounting Rs. 14,88,98,053/- (Rupees Fourteen crores eighty-eight lakhs ninety-eight thousand fifty-three only).

31. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178

The Company has established a Board-approved policy regarding appointment of Directors, Key Managerial Personnel (KMP) and Senior Management (Appointment Policy). Additionally, there is a Remuneration Policy that governs the remuneration for Directors, KMPs, Senior Management, and other employees (Remuneration Policy).

The objective of the Appointment Policy is to provide a framework and establish standards for appointing Directors and KMPs. This policy ensures that appointees possess the capacity and capability to lead the Company in achieving its stated goals and strategic objectives. It takes into account the interests of all stakeholders, including shareholders, policyholders, channel partners and employees, while ensuring an appropriate balance of skills, experience, knowledge and expertise among its Directors.

The Board vide Board Meeting (BM) dated 16th October 2023 and the Shareholders vide Extra Ordinary General Meeting (EOGM) dated 10th November 2023 increased the remunerations of Directors and further vide BM dated 4th March 2024 the effective date of payment of increased remunerations was changed from 1st April 2024 to 1st August 2024.

32. REPORTING OF FRAUDS BY AUDITOR

There have been no instances of fraud reported by the Statutory Auditors under Section 143 (12) of the Acts & Rules framed thereunder either to the Company or to the Central Government.

33. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before NCLT or other court(s).

However, on 2nd December 2021, Sanmei's legal representatives issued a notice under the Insolvency and Bankruptcy Code (IBC), demanding Rs. 1,032.25 lakhs

(approximately USD 12,51,290.00) for a disputed amount allegedly owed by the Company. Despite being informed about the ongoing dispute and urged to adhere to the terms of the agreed contract, Sanmei disregarded the issue and issued a reminder notice.

In fiscal year 2021, the Company and Zhejiang Sanmei Chemical Industry Co., Ltd ("Sanmei"), a Chinese firm, entered into contracts for supply of various refrigerants, including R410a, R32, and R470C, to be filled and delivered in returnable ISO tanks. Sanmei failed to meet its contractual obligations, defaulting on the agreed-upon delivery requirements and terms. Despite repeated requests, Sanmei did not adhere to the contracted supply, causing the Company to fall short in fulfilling its commitments to the customers, which resulted in both financial loss and reputational damage to the Company.

Based on the management discussions and legal counsel's advice, the Company does not anticipate any outflow related to this contingent liability. Should Sanmei decide to proceed with a formal application before National Company Law Tribunal (NCLT) under Section 9 of the IBC, the Company is confident in its ability to defend its position robustly.

34. ACKNOWLEDGEMENT

The Board of Directors wishes to express its deep appreciation for the dedicated services of all the employees of the Company. Additionally, the Board would like to sincerely thank the government and regulatory authorities, stock exchanges, depositories, banks, customers, vendors and members for their valuable assistance and cooperation during the year under review.

BY ORDER OF THE BOARD
FOR STALLION INDIA FLUOROCHEMICALS LIMITED
(Formerly Known as Stallion India Fluorochemicals Private Limited)



SHAZAD SHERIAR RUSTOMJI
MANAGING DIRECTOR & CEO
DIN: 01923432
Date: 13.08.2024
Place: Mumbai



ROHAN SHAZAD RUSTOMJI
DIRECTOR
DIN: 09312347