



महाराष्ट्र MAHARASHTRA

● 2023 ●

CL 512349

प्रधान मुद्रांक कार्यालय, मुंबई  
प.मु.क्र. ८००००९६  
- 6 AUG 2024  
सक्षम अधिकारी

श्रीम. सुषमा चव्हाण

This stamp paper forms integral part of the Monitoring Agency agreement between CARE Ratings Limited and Stallion India Fluorochemicals Limited.



Agreement

13 AUG 2024

जोड़पत्र - २ / Annexure-II

१. मुद्रांक विज्ञानी नोंदवली अज्ञ. क्र.-/दिनांक \_\_\_\_\_

CARE RATINGS LIMITED

4<sup>th</sup> Floor, Godrej Coliseum,

Sambhaya Hospital Building,

Off. Eastern Express Road,

Stion (East), Mumbai - 400 022.

Tel.: 022 67543456

२. दस्तावेजा प्रकार \_\_\_\_\_

३. दस्त नोंदवणी करपात अर्हेत का ? \_\_\_\_\_

४. विकसकीचे संकलनाचे तारीख \_\_\_\_\_

५. मुद्रांक दिवसात देशान्तरात पोचू न सवी \_\_\_\_\_

६. हस्त अस्तव्यास तारीख तयार, जसा त सवी \_\_\_\_\_

७. दुसऱ्या व्यक्तीचा नाव \_\_\_\_\_

Salvatoretti Pharmachemicals

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८. मुद्रांक सुलभ रक्कम \_\_\_\_\_

९. परवानग्यात SRP ची मुद्रांक व परवाना क्रमांक \_\_\_\_\_

१०. मुद्रांक दिवसात विकसकीचे मुद्रांक \_\_\_\_\_

मुद्रांक दिवसात विकसकीचे मुद्रांक तयार करी क संशोधन

कार्य करविलेले, मुद्रांक तयार करविलेले, किंवा मुद्रांकाला

द्वारे मुद्रांक कोट, ए. ई. ३००, ४०० मुद्रांक, रु. - ४०००५१

यात कारणासाठी विकसकी मुद्रांक खरेदी केला त्याची त्याच

कारणासाठी मुद्रांक खरेदी अस्तव्यास व महिन्यात वापर

यनकारक आहे

श्री. राजेश गाथाक मर्डिक







महाराष्ट्र, MAHARASHTRA

● 2024 ●

23AB 086791

प्रधान मुद्रांक कार्यालय, मुंबई  
प.सु.नि.क्र. ८००००९६  
- 6 AUG 2024  
सक्षम अधिकारी

श्रीम. एल. एस. सांगळे

This stamp paper forms integral part of the Monitoring Agency agreement between CARE Ratings Limited and Stallion India Fluorochemicals Limited.



Agreement

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जोड़पत्र-२/Annexure-२

13 AUG 2024

१. मुद्रांक विक्री नोंदवही अनु. क्र.-/दिनांक \_\_\_\_\_

२. दरनाचा प्रकार \_\_\_\_\_

**CARE RATINGS LIMITED**  
IV Floor, Godrej Coliseum,  
Santarya Hospital Road,  
Off Eastern Express Road,  
Sion (East), Mumbai - 400 022  
Tel.: 022 67543456

३. दस्त नोंदणी करणारा अर्जात का ? \_\_\_\_\_

४. मिळकतीचे श्रेयस्थान क्रमांक \_\_\_\_\_

५. मुद्रांक विक्रीत येणाऱ्याचे नोंद व मदी \_\_\_\_\_

६. हस्त असल्यास त्यांचे नाव, पत्ता व मदी \_\_\_\_\_

७. दुसऱ्या पक्षदाराचे नाव \_\_\_\_\_

८. मुद्रांक शुल्क रक्कम \_\_\_\_\_

९. परवानाधारक मुद्रांक विक्रीसाठी सही व परवाना क्रमांक \_\_\_\_\_

तसेच मुद्रांक विक्रीचा प्रकाश/पत्ता \_\_\_\_\_

परवाना क्रमांक १००००१६

मुद्रांक विक्रीचे विवरण/पत्ता: खर्दिदा वार असोसिएशन

भास्कर बिल्डिंग, २रा भागा, सर्वेष्टर बिल्डिंग, ब्रॉड मेट्रोपोलिटन

मजिस्ट्रेट कोर्ट, २ वे वती, वॉर्ड पूर्व, मु. - ४०००५१

ज्या कारणासाठी अशाही मुद्रांक खरेदी केला त्यांनी त्याच

कारणासाठी मुद्रांक खरेदी केल्यापासून ६ महिन्यात वापरण

बनकारक आहे

श्री. राजेश गोपाळ नाईक







महाराष्ट्र MAHARASHTRA

● 2024 ●

23AB 086790

प्रधान मुद्रांक कार्यालय, मुंबई  
प.सू.क्र. ८००००९६  
- 6 AUG 2024  
सक्षम अधिकारी

श्रीम. एल. एस. सांगळे

This stamp paper forms integral part of the Monitoring Agency  
agreement between CARE Ratings Limited and Stallion India  
Fluorochemicals Limited.



जोड़पत्र-२/Annexure-1

13 AUG 2024

**CARE RATINGS LIMITED**  
 IV Floor, Godrej Coliseum,  
 Somaiya Hospital Road,  
 Off. Eastern Express Road,  
 Sion (East), Mumbai - 400 022  
 Tel.: 022 67543456

१. मुद्रांक विनी नोंदवही अमु. क्र.-/दिनांक \_\_\_\_\_
२. दरवाजा प्रकार \_\_\_\_\_
३. दर नोंदणी कारण अंकित करा ? \_\_\_\_\_
४. मिककरीचे थोडक्यात वर्गीत \_\_\_\_\_  
 Sion (East), Mumbai - 400 022  
 Tel.: 022 67543456
५. मुद्रांक विकत घेणाऱ्याचे नाव व सही \_\_\_\_\_
६. हसे अस्तित्वात नोंद घेण्याची वेळ व सही \_\_\_\_\_
७. दुसऱ्या पक्षधारकाचे नाव \_\_\_\_\_
८. मुद्रांक शुल्क \_\_\_\_\_
९. परवानग्यासाठी घेतलेली सही व परवाना क्रमांक \_\_\_\_\_
- तसेच मुद्रांक विनी नोंदवही व सही \_\_\_\_\_
- परवाना क्रमांक \_\_\_\_\_

श्री. राकेश चंभकर नाईक  
 RBC



23 SEP 2024

THIS MONITORING AGENCY AGREEMENT (THE "AGREEMENT") is entered into this 9<sup>th</sup> September, 2024 at [●] by and among:

**Stallion India Fluorochemicals Limited**, a company a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at 2, A Wing, Knox Plaza, Off. Link Road, Mindspace, Malad - (West), Mumbai - 400064, (herein after referred to as the "Issuer" or the "Company", which expression shall unless repugnant to the context or meaning thereof mean and include its successors and permitted assigns) of the **FIRST PART**;

AND

**CARE Ratings Limited**, a company duly incorporated under the Companies Act, 1956, and having its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai- 400022 in the capacity of monitoring agency appointed in terms of SEBI ICDR Regulations (*as defined herein below*) ("CARE" or "Monitoring Agency", which expression shall, unless it is repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the **SECOND PART**.

The Company and the Monitoring Agency are hereinafter individually referred to as a "Party" and collectively as "Parties".

WHEREAS:

- A. The Company and the Promoter Selling Shareholder propose to undertake an initial public offering of equity shares of face value ₹ 10 each of the Company (the "Equity Shares"), comprising a fresh issue of 2,21,61,396 Equity Shares by the Company (the "Fresh Issue") and an offer for sale by the Promoter Selling Shareholder of 43,02,656 Equity Shares ("Offer for Sale" and together with the Fresh Issue, the "Offer"), in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), the Companies Act, 2013, as amended, including any rules, regulations, clarifications and modifications thereto, each as amended (the "Companies Act"), and other Applicable Laws (as defined herein)
- B. The Board of Directors ("Board") have, *vide* a resolution passed at its meeting held on November 16, 2023, authorized the Offer. The Shareholders have authorized the Fresh Issue pursuant to a special resolution dated November 30, 2023.
- C. The Company has appointed **Sarthi Capital Advisors Private Limited** to manage the Offer (the "Book Running Lead Manager").
- D. The Company has filed a Draft Red Herring Prospectus dated March 20, 2024 ("Draft Red Herring Prospectus") with the Securities and Exchange Board of India ("SEBI"), the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE" and together with the NSE, the "Stock Exchanges") on March 20, 2024, for





review and comments in accordance with the SEBI ICDR Regulations. After incorporating the comments and observations of the SEBI and the Stock Exchanges, the Company proposes to file the red herring prospectus (“**Red Herring Prospectus**”) with the Registrar of Companies, Mumbai at Maharashtra (“**RoC**”), the SEBI and the Stock Exchanges in accordance with the Companies Act and the SEBI ICDR Regulations. The Company has also received in-principle listing approvals from the BSE and NSE pursuant to letters, each dated July 05, 2024.

E. In terms of Regulation 41 of the SEBI ICDR Regulations, the Company is required to appoint a credit rating agency as the monitoring agency, which shall monitor the use of the Gross Proceeds (*as defined hereinafter*) of the Offer in accordance with the terms of the Objects of the Offer (*as defined hereinafter*) Red Herring Prospectus and Prospectus. Accordingly, the Company has appointed CARE to act as the “**Monitoring Agency**” for monitoring the use of the Gross Proceeds in accordance with this Agreement and in accordance with the Applicable Laws.

F. In relation to the Issue, the Company has received in-principal approvals dated July 05, 2024 from BSE and NSE.

G. On receipt of the listing and trading approvals from each of the Stock Exchange(s), the Gross Proceeds deposited in the account(s) opened and maintained by the Company with the Banker to the Issue, Axis Bank Limited (“**Banker to the Offer**”) for this purpose, shall be transferred to the Issue Monitoring Account or any other account as may be decided, as per the terms of this Agreement.

H. This Agreement is executed and delivered to define the obligations of the Company to deposit the amount raised through the Fresh Issue in the Public Offer Monitoring Account(s) (*as defined hereinafter*) and the role of the Monitoring Agency to monitor the Gross Proceeds deposited in the Public Offer Monitoring Account(s) as per the schedule of utilization of Gross Proceeds mentioned in the Red Herring Prospectus and Prospectus (the “**Utilization Schedule**”).

**NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants, and agreements set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:**

## **1. Definitions and Interpretation**

### **1.1 Definitions:**

“**Applicable Laws**” shall mean to include any applicable law, bye-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), listing agreements with the Stock Exchanges (*as defined herein*), guidance, rule, order, judgment or decree of any





court or any arbitral or other authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, within or outside India, which may apply to the Offer or the Parties.

**"Business Day(s)"** shall mean all days other than Saturday or Sunday or a public holiday on which commercial banks in Mumbai are open for business.

**"Equity Shares"** shall mean equity shares of the Company of ₹ 10 each.

**"Monitoring Report"** or **"Report"** shall mean the report(s) issued by the Monitoring Agency (monitoring the use of Gross Proceeds) that the Gross Proceeds have been utilized for the purpose as mentioned in the Utilization Schedule. The Report shall be submitted to the Company in the format prescribed under Schedule XI of the SEBI ICDR Regulations, as amended from time to time.

**"Gross Proceeds"** shall mean the gross proceeds of the Fresh Issue that will be available to the Company.

**"Offer Documents"** shall mean collectively, as the context requires, the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Preliminary Offering Memorandum, the Offering Memorandum, the Bid cum Application Form including the abridged prospectus, any Supplemental Offer Material and any amendments, supplements, notices, addenda, corrections or corrigenda to such offering documents;

**"Objects of the Offer"** or **"Objects"** shall mean the objects of the Offer as set out in the Offer Documents.

**"Net Proceeds"** for the purposes of this Agreement, shall mean proceeds of the Fresh Issue less the Company's share of the Offer related expenses.

**"Public Offer Monitoring Account"** shall have the meaning given to such term in Clause 3.3 of this Agreement.

**"Stock Exchanges"** shall collectively mean the BSE Limited and the National Stock Exchange of India Limited.

**"Utilization Schedule"** shall have the meaning given to such term in Recital G of this Agreement.

Terms not defined under this Clause or in this Agreement shall have the meaning ascribed to them in the Red Herring Prospectus/ Prospectus, unless the context specifies otherwise.

1.2 In this Agreement, unless the context otherwise requires:



- (a) Words denoting the singular number shall include the plural and *vice versa*;
- (b) Words denoting a person shall include an individual, corporation, company, partnership, trust or other entity;
- (c) Heading and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- (d) References to the word "include" or "including" shall be construed without limitation;
- (e) References to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or noted or any replacement or novation thereof;
- (f) References to any Party to this Agreement or any other agreement or deed or other instrument shall include its successors or permitted assigns;
- (g) References to an article, clause, section, paragraph, schedule or annexure is, unless indicated to the contrary, a reference to an article, clause, section, paragraph, schedule or annexure of this Agreement; and
- (h) Unless otherwise defined, reference to the word 'days' shall mean calendar days.

## 2. USE OF GROSS PROCEEDS

The Company proposes to raise finance by way of the Fresh Issue for the purposes set out in the "Objects of the Offer" section of the Offer Document and reproduced below:

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

(Collectively, referred to herein as the "Objects").

However, provided that the above shall be read in conjunction with and shall be superseded by the details mentioned in the Red Herring Prospectus/ Prospectus.



### 3. The Public Offer Monitoring Account

3.1 The Company hereby appoints CARE as the monitoring agency for the purposes of monitoring the use of the Gross Proceeds by the Company in accordance with the Objects of the Offer and the SEBI ICDR Regulations.

3.2 CARE agrees to act as the Monitoring Agency in accordance with the terms and conditions of this Agreement and subject to the SEBI ICDR Regulations and other Applicable Laws.

3.3 The appointment of CARE as the Monitoring Agency with respect to monitoring of the Gross Proceeds shall be without any prejudice to any existing or future arrangement between the Company and CARE, whether in the capacity of a monitoring agency or not, and all such arrangements between the Company and CARE shall be mutually exclusive of one another and on arm's length basis, as permissible under the Applicable Laws.

### 3.4 Establishment of Public Offer Monitoring Account

The Company has opened an account with Axis Bank Limited wherein the (i) Gross Proceeds; will be deposited (the "**Public Offer Monitoring Account**"). While such Gross Proceeds deposited in the Public Offer Monitoring Account will be utilized by the Company towards Objects of the Offer, the Monitoring Agency shall be liable to monitor Gross Proceeds in terms of this Agreement and Applicable Laws.

### 3.5 Deposits into and withdrawals from the Public Offer Monitoring Account

The Company shall submit the following information / documents to the Monitoring Agency:

- (a) A certificate to be issued by the statutory auditor/ peer reviewed audit firm or an independent chartered accountant, banks, management /directors of the Issuer and any other authorised personnel, consultants or experts, as the case may be, tentatively within ten (10) calendar days, after the end of each quarter:
- (b) Subject to Applicable Laws, the declaration to be issued by any of the following person amongst:
  - (i) Chief Financial Officer or the Company Secretary and Compliance Officer, or
  - (ii) Authorized officer of the Company, who is authorized by the Board or a duly authorized committee of directors, (collectively referred to as the "**Authorised Signatories**") detailing the utilization of the Gross Proceeds in





accordance with the Objects of the Offer to be provided. In the event, the Company is not in a position to obtain the signatures from one or both of the Authorised Signatories, then the Monitoring Agency may, in its sole discretion, allow the Company to obtain the signature from any other authorized signatory as authorized by the Board/duly authorised committee of the Company.

### 3.6 Determination and Notice of Amounts of Deposits and Withdrawals

(a) In determining any amounts that had been withdrawn, paid, allocated or deposited pursuant to this Agreement, the Monitoring Agency shall be entitled to rely on all the quarterly budgets / requisitions/information/certificate of payment of the Company as shared by the Company and certificate of the statutory auditor/ peer reviewed audit firm shared by the Company.

### 3.7 Interim Use of Gross Proceeds

(a) Pending utilization of the Gross Proceeds for the purposes described in the Red Herring Prospectus/ Prospectus, the Company shall have the flexibility to deploy the Gross Proceeds in accordance with the Applicable Laws, and the Red Herring Prospectus/ Prospectus.

(b) The Company shall disclose the utilization of the Gross Proceeds under a separate head in Company's balance sheet along with details, for all such amounts that have not been utilized or in any other manner as may be required under the SEBI Listing Regulations, the SEBI ICDR Regulations and the Applicable Laws.

### 3.8 Additional Information/Documentation

The Monitoring Agency may request for additional documents and information from the Company, which it reasonably considers necessary for the purposes of undertaking its obligations under this Agreement or as required under Applicable Laws.

## **4. Appointment of Monitoring Agency**

4.1 CARE, in its capacity as the Monitoring Agency, shall fulfil such duties and obligations as may be prescribed under the SEBI ICDR Regulations and the Applicable Laws, including the following:

(a) CARE shall deliver the Monitoring Report (containing details of utilization in accordance with the Objects of the Offer set out under the Offer Documents and deviations, if any), and such other documents, agreements, instruments and certificates as are prescribed under the SEBI ICDR Regulations which are to be prepared, executed and/or delivered by a monitoring agency to the



Company post receipt of all necessary information from the Company and the statutory auditor/ peer reviewed audit firm after each quarter, in the prescribed format in Schedule XI of the SEBI ICDR Regulations to the Company, as amended from time to time until the utilization of 100% of the Gross Proceeds or termination of this Agreement in accordance with Clause 10 of this Agreement;

(b) For the sake of duly fulfilling the obligations under this Agreement, CARE shall have the right to inspect all relevant and necessary records, registers and accounts of the Company as may be necessary for the purposes of carrying out its duties effectively, provided that the Company is given at least three (3) Business Days prior notice or a reasonable notice of a shorter period if circumstances so require in this behalf.

(c) CARE will rely on the declarations/information/ documents/statements provided by the management of the Issuer and the statutory auditors/peer reviewed audit firms and consultants appointed by the Issuer. The Monitoring Agency shall not be required to verify the authenticity of such declarations/information/ documents/ statements provided by the management and the statutory auditors/ peer reviewed audit firm /consultants appointed by the Company. In case the Monitoring Agency is not reasonably satisfied with the responses or the representations of the Company, it reserves the right to issue a qualified report in instances where it deems fit and shall highlight its concerns along with the reasons. The Monitoring Agency also reserves the right to highlight any such concerns to SEBI, as per the Applicable Laws.

(d) CARE shall take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations to discharge its responsibilities as the monitoring agency. This includes seeking clarifications on the information/ documents/ statements shared by the Company, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency;

(e) CARE shall review of the information / documents / statements (including the bank statements) received from the Company with regard to the use of the Gross Proceeds including the status of activities proposed to be funded out of the Gross Proceeds as stated in the Offer Documents.

(f) CARE shall be issuing the Report till 100% of the Gross Proceeds are utilized as per the SEBI ICDR Regulations.

(g) CARE shall take due care to produce Monitoring Reports that are free of errors and shall disclose to the extent possible the source of information in the Report.

(h) CARE shall deploy personnel who are well-equipped to carry out the activity



under this Agreement.

(i) CARE will share a draft Report with the Company and give reasonable time (tentatively 3 Business Days) to the Company to respond with additional information or clarifications on the draft, before finalising the Report which shall be shared with the Audit Committee of the Board.

(j) All activities of CARE as a credit rating agency, including Monitoring Agency activity under this Agreement, shall be subject to policies framed by CARE (including amendment/updates from time to time) under SEBI directives including but not limited to confidentiality policy, guidelines for dealing with conflict of interest for investment/ trading by credit rating agencies.

4.2 The Monitoring Agency agrees to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended with respect to the Company.

#### 4.3 Payment of Monitoring Agency Fees

The consideration is mutually decided by the parties to the Agreement for acting as the Monitoring Agency, the Monitoring agency fees shall be paid by the Issuer/Company as per the fee letter dated 9<sup>th</sup> September, 2024 as mutually agreed between the Monitoring Agency & the Company.

The Company shall make the payment and other incidental expenses, if any, within the agreed timelines, as stated aforesaid.

#### 5. Monitoring the Use of Gross Proceeds

5.1 The Company recognizes that compliance by the Monitoring Agency with the terms of the SEBI ICDR Regulations, and any other requirements stipulated by SEBI or the Stock Exchanges is dependent upon it furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency.

5.2 The Company shall provide all the required information, as per agreed timelines between the Company and the Monitoring Agency.

5.3 The Company shall inform the Monitoring Agency as to the use of the Gross Proceeds and shall be obliged to furnish such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilization of the Gross Proceeds, as per the Applicable Laws.

5.4 For Monitoring Agency to perform its role effectively, the Company will fulfil its obligations including but not limited to sharing of the required information on a





timely basis and timely payment of fee. In the absence of this, the Monitoring Agency may qualify its report duly capturing any non-cooperation from the Company, in terms of sharing the requisite information or non-payment of the fee and may also inform SEBI and the Stock Exchange/s where the Equity Shares are listed, of any non-cooperation by the Company.

5.5 The Company shall ensure that the Gross Proceeds are utilized only for the purposes as mentioned in the Objects of the Offer and shall, at its cost, as and when called upon by the Monitoring Agency, take such steps as may be necessary to prove the same.

5.6 The Monitoring Agency shall have the right to inspect the records, registers and accounts of the Company as may be necessary for the purposes of carrying out its duties in accordance with monitoring of the Gross Proceeds, provided that the Monitoring Agency has given at least three (3) Business Days prior notice in writing to the Company in this regard.

5.7 In addition to the above, the Company shall provide all necessary assistance and infrastructure that may be required by the Monitoring Agency in connection with the performance of its duties pursuant to this Agreement.

5.8 The Company shall ensure that all relevant and necessary details as sought by the Monitoring Agency for preparation of the Report, is to be provided to the Monitoring Agency within seven (7) Business Days from the end of each quarter.

5.9 In accordance with the SEBI ICDR Regulations and applicable provisions of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on deviations, if any, in the utilization of the Gross Proceeds of the Issue.

5.10 The Company shall, upon receipt of comments from the Board, Audit Committee or management of the Company, incorporate the same in the format as indicated in Schedule XI to the SEBI ICDR Regulations.

5.11 The Company shall ensure that within forty-five (45) calendar days from the end of each quarter or such other time as may be prescribed under the SEBI ICDR Regulations, the Report of the Monitoring Agency is publicly disseminated by uploading it on its website as well as submitting to the Stock Exchanges.

#### **6. Representations, Warranties and Covenants**

6.1 As of the date of this Agreement, the Company represents and warrants to the Monitoring Agency that (which representations shall continue to be true and correct on each day during the currency of this Agreement):



(a) This Agreement constitutes a valid, legal and binding obligation on the Company and is enforceable against the Company in accordance with the terms hereof;

(b) The execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and does not and will not contravene any provisions of, or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets; and

(c) It has the requisite power to open and maintain the Public Offer Monitoring Account and has taken all necessary corporate and other actions required to authorize the opening and maintenance thereof upon the terms referred to herein and the execution of all such documents as are necessary for the purpose thereof.

6.2 The Company shall at any times and from time to time upon the reasonable written request of the Monitoring Agency promptly and duly deliver or permit the delivery of any and all such further details, information, instruments and documents as the Monitoring Agency may consider necessary for the purpose of monitoring the Gross Proceeds.

6.3 As of the date of this Agreement, the Monitoring Agency represents and warrants to the Company that (which representations shall continue to be true and correct on each day during the currency of this Agreement:

(a) This Agreement constitutes a valid, legal and binding obligations on it and is enforceable against it in accordance with the terms hereof);

(b) The execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and does not and will not contravene any provisions of or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets;

(c) It shall perform its duties with the highest standards of integrity and fairness and shall act in an ethical manner in all its dealings with the Company;

(d) It shall act with due diligence, care and skill while discharging the work assigned to it in relation to the Gross Proceeds and performing its functions under this Agreement;



- (e) It will not take up any activities which are likely to be in conflict with its own interests, interests of the Company, the Offer, its activities as the Monitoring Agency or contrary to the directions issued by SEBI or under any other Applicable Laws;
- (f) It shall carry out its duties/responsibilities and complete all the formalities including corporate action within the specified time limits as required under Applicable Laws, including with respect to relevant statutes, guidelines issued by SEBI, stock exchange regulations, etc.; and
- (g) It has due authority and valid registration as required under Applicable Laws to act as the monitoring agency for the Offer and it is not prohibited from acting as a monitoring agency by any judicial, regulatory or administrative body.

#### **7. Directions of Stock Exchanges / SEBI / statutory authorities**

In the event any instructions are received from any of the Stock Exchanges or SEBI or any other statutory authorities to the effect that the Public Offer Monitoring Account shall be frozen or that the Company shall not be allowed to make any payments to any of the specified parties, then the Monitoring Agency shall be bound by such instructions and the Company acknowledges the same and shall also abide by such instructions. However, the Monitoring Agency undertakes to immediately intimate the Company in writing, within 7 Business Day of such instruction/restriction unless such intimation is prohibited by Applicable Laws or order of the court.

#### **8. Rights and duties of Monitoring Agency and Indemnity**

##### 8.1 Particular rights and duties of the Monitoring Agency

(a) The Monitoring Agency:

- (a) Shall, except to such extent as may otherwise be provided herein, refrain from exercising any right, power or discretion vested in it as agent;
- (b) Shall review the information/ documents/ statements (including bank statements) received from the Company showing use of the Gross Proceeds including the status of implementation of the activities proposed to be funded out of the Gross Proceeds, as stated in the final Offer Documents.
- (c) Shall take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations and other Applicable Laws to discharge its responsibilities as the Monitoring Agency. This includes seeking clarifications on the information/ documents/ statements provided by the Company, seeking additional documents/





certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency.

(d) Shall deliver the Monitoring Report to the Company in the format as prescribed in the SEBI ICDR Regulations, on a quarterly basis (or any other frequency as prescribed by SEBI in its SEBI ICDR Regulations from time to time).

(e) Undertakes to perform only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Monitoring Agency unless required under Applicable Laws;

(f) Shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it;

(g) May rely or refrain from relaying upon any resolution, certificate, certificate of statutory auditors/ peer reviewed audit firm approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the proper party or parties;

(h) Shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is, in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Offer and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such written intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith if such uncertainty, ambiguity, incorrectness or inconsistency has not been rectified by the Company within three (3) Business Days of the intimation received from the Monitoring Agency, save and except in case of any default, bad faith, fraud or negligence on the part of the Monitoring Agency;

(i) May execute any of the powers hereunder or perform any duties hereunder through agents or attorneys, at its own cost and the Monitoring Agency shall be responsible for any misconduct or negligence on the part of any



agent or attorneys appointed by it hereunder, provided the Company has been given prior written intimation of appointment of such agents or attorneys and the Monitoring Agency has entered into arrangements / agreements with such agents or attorneys to indemnify the Monitoring Agency and the Company for all claims, losses, expenses and liabilities that the Monitoring Agency and / or Company might incur due the misconduct or negligence on the part of any such agent or attorneys;

#### 8.2 Indemnity

a) The Company shall indemnify and hold harmless the Monitoring Agency, its directors, management and employees against all direct and reasonable costs (including but not limited to attorney fees), losses and damages incurred, including any third party claims and/or any claims for any Order / Award/ Fines/ Penalties which are made on the Monitoring Agency in respect of all or any part of the Offer Monitoring Account and which the Monitoring Agency may incur either as a consequence of breach of any provision of law, regulations or order of any court or regulatory, statutory, judicial and/or administrative authority by the Company or the breach or non-observance of any terms and conditions of this Agreement, including any breach of representations and warranties by the Company, unless such breach is not rectified within thirty (30) Business Days from the date of written notice thereon, provided further that the Company shall not be liable for any losses suffered by the Monitoring Agency arising out of misconduct, negligence, wilful default or failure on the part of the of the Monitoring Agency.

b) It is hereby clarified that neither Party shall be liable to the other for any indirect, incidental, consequential, special, exemplary, damages arising out of or in connection with this Agreement even if the other Party has been advised of the possibility of such damage.

c) This Clause 8.2 shall survive three (3) years from termination of this Agreement.

#### **9. Limitation of Liability**

9.1 The Monitoring Agency shall be at liberty to accept a certificate signed by any of the authorized signatories of the Company as to any fact or matter prima facie within the knowledge of the Company as sufficient evidence thereof and other than as required by Applicable Laws, the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so.

9.2 The Monitoring Agency undertakes to perform only such duties (and the ancillary duties in connection therewith) as are specifically set forth in this Agreement and as are required under Applicable Laws.



9.3 Monitoring Agency shall have no responsibility, other than as required by Applicable Laws, to verify the authenticity of any order of a competent body, court or tribunal or any ruling of any arbitrator/s in proceedings between or concerning the other Parties and may rely, in good faith and without any liability, upon the contents thereof;

9.4 Other than as required by Applicable Laws or by order of a court, tribunal, the Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it.

9.5 The Monitoring Agency may, to the extent permitted by Applicable Laws, rely on any resolution, certificate, certificate of statutory auditors/ peer reviewed audit firm approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the Company or its authorized official and whose specimen signatures are contained herein or any other persons as may be authorized by the Company in writing from time to time.

9.6 The Monitoring Agency, to the extent permitted by Applicable Laws, shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Offer and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith;

9.7 The recitals contained herein shall be taken as the statements of the Company, and the Monitoring Agency shall not be liable, to the extent permitted by Applicable Laws, for the use or any application by the Company of the Gross Proceeds it receives pursuant to the Objects of the Offer and Utilization Schedule hereinafter;

9.8 Notwithstanding anything to the contrary contained herein, the Parties agree that, to the extent permitted by Applicable Laws, in no event shall either Party be liable for any indirect, incidental or consequential damages, or for any amounts claimed for lost business, opportunities or profits of the other Party, except in case of default, fraud, misrepresentation or negligence by such Party.





## 10. Termination

10.1 Neither Party has right to terminate this Agreement, except for the reasons as prescribed under the SEBI ICDR Regulations or other Applicable Laws, till CARE submits the Report confirming 100% utilization of the Gross Proceeds.

10.2 Both the Parties shall have an option to terminate this Agreement by providing thirty (30) calendar days prior written notice to other Party. The Party terminating this Agreement shall intimate SEBI and the Stock Exchanges on which the Equity Shares are listed, the reason for termination of this Agreement along with the termination notice/letter. The termination shall be effective after 30 calendar days from the date of the termination notice or due date of publication of next Monitoring Report, whichever is later.

10.3 During the termination notice period, CARE shall capture the reason for termination of this Agreement, in the Report issued to the Issuer, during such period. The Monitoring Agency will display on its website regarding information of the termination of this Agreement.

## 11. Disclaimer

11.1 The Monitoring Report is intended for the jurisdiction of India only. This Report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CARE providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.

11.2 Access or use of this report does not create a client relationship between CARE and the user.

11.3 CARE will not be aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing the Report, subject to Applicable Laws, CARE will not have taken into consideration the objectives or particular needs of any particular user.

11.4 Neither CARE nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the Report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Report. CARE and each aforesaid party disclaim any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use.

11.5 The Report will be based on information received from the Company. CARE



is not bound to independently validate or assess the veracity of any such information.

11.6 CARE or its associates may have other commercial transactions with the Company to which the Report pertains. CARE may rate the Company or any debt instruments / facilities issued or proposed to be issued by the Issuer that is subject matter of this Report. CARE may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

11.7 Unless required under any Applicable Laws, this Report should not be reproduced or redistributed to any other person or in any form without prior written consent from CARE.

11.8 The Monitoring Report does not constitute a commentary on the quality of the Objects of the Offer, reasonableness of costs or spending by the Company against any objects/heads or assurance on outcome of such spending.

11.9 The Monitoring Agency will not be required to either verify or comment on the appropriateness of the usage of Gross Proceeds.

11.10 The Monitoring Agency, based on its due consideration, may accept a certificate signed by one of the authorised signatories of the Company as sufficient evidence.

11.11 The Monitoring Agency is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. The Monitoring Agency is issuing the Report solely in the capacity of a Monitoring Agency and that the same shall not be construed to be an opinion of an expert, as it relies on certificates, confirmations and representations of reliable stakeholders such as auditors, banks and others.

11.12 The Monitoring Agency's role does not comprise, nor does it have wherewithal, to ensure that funds withdrawn from the Public Offer Monitoring Account are actually applied for the purpose for which they were withdrawn. The Monitoring Agency shall rely on the certificates submitted by the statutory auditors/ peer reviewed audit firm and information/document shared by the Company to submit its report on utilization of proceeds in relation to the objects of the Offer.

11.13 The Monitoring Agency does not have the authority to approve/ disapprove any withdrawals of monies from bank accounts as the same is outside its scope of responsibilities.

11.14 Neither the Monitoring Agency nor any of its directors, officers, agents and employees shall be deemed to be a trustee for or have any fiduciary relationship with the Company, or any other person. Where the Monitoring



Agency has acted in accordance with SEBI ICDR Regulations and this Agreement with the Company, it shall be deemed to have acted as if instructed to do so by the Company.

11.15 The Monitoring Agency relies on the due diligence conducted by the statutory auditors/ peer reviewed audit firm or other experts, the users of the Monitoring Report shall not hold Monitoring Agency liable for any loss or liability arising out of their use of the Report.

11.16 The disclaimer mentioned in the Clause shall be read together with the disclaimer mentioned in the Report.

## 12. Miscellaneous

### 12.1 Partial Invalidity and Exercise of Remedies

If any provision hereof is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the Parties hereto in respect of and including any provision hereof which is invalid or unenforceable as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

### 12.2 Assignment

This Agreement shall be binding upon and inure to the benefit of each Party hereto and its successors and assigns. This Agreement is not intended to confer upon any person other than the Parties hereto any rights or remedies.

However, a Party to this Agreement shall not assign its rights and/ or duties under this Agreement without prior written consent of the other Party.

### 12.3 Notices

Any notice, demand, communication or other request (individually, a "Notice") to be given or made under this Agreement shall be in writing in the English language. Such Notice shall be delivered by hand, airmail (postage prepaid), recognized overnight courier service, email, facsimile or registered post to the Party to which it is addressed at such Party's address specified below or at such other address as such Party shall from time to time have designated by fifteen (15) Business Days' prior written Notice to the Party giving such Notice, and shall be deemed to have been duly given or made when delivered as aforesaid.





**For the Company:**

**Stallion India Fluorochemicals Limited**  
2, A Wing, Knox Plaza, Off. Link Road,  
MindSPACE, Malad - (West), Mumbai - 400064

**For the Monitoring Agency:**

**CARE Ratings Limited**  
4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), Mumbai-400022

**12.4 Entire Understanding**

The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties hereto. These terms and conditions supersede and replace any and all prior contracts, understandings or arrangements, whether oral or written, heretofore made between any of the Parties and relating to the subject matter hereof, and as of the date hereof constitute the entire understanding of the Parties with respect to the subject matter hereof.

**13. Governing Law and Dispute Resolution**

13.1 This Agreement is governed by, and shall be construed in accordance with, the laws of the Republic of India.

In the event of any grievance, difference, claim or dispute between the parties arising out of the activities under this Agreement, the parties will endeavour in the first instance to settle the dispute amicably through discussions between the parties involved; if the dispute is not settled amicably then the same shall be subject to the jurisdiction of courts in Mumbai.

**14. Amendments and Waiver**

14.1 Any amendments of any provision of this Agreement shall be in writing and signed by the parties hereto and shall have the same effect as if they were a part of these presents, unless decided otherwise.

14.2 Notwithstanding anything stated in this Agreement, the Parties to this Agreement may, from time to time, or at any time, by mutual consent (in writing) waive such terms and conditions of this Agreement, so long as the same is not in contravention of the terms of the SEBI ICDR Regulations or Applicable Laws.



**15. English Language**

This Agreement and all documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English certified by a representative of the respective Party, which translation shall be the governing version thereof.

**16. Confidentiality**

During the currency of this Agreement, the Monitoring Agency shall not make public and disclose any information received by it from the Company to any other party, without prior written consent from the Company, which shall not be unreasonably withheld. However, the Monitoring Agency may disclose information to SEBI, Stock Exchange/s where the Equity Shares are listed or to any government, judicial, regulatory authority, if required under SEBI ICDDR Regulations or Applicable Laws, without prior approval of the Company, but shall intimate the Company immediately. However, this does not preclude the credit ratings activity utilizing the insights gained from the Monitoring Agency activity in general and post publication of Monitoring Report, utilizing the information received from the Company in specific, for forming credit opinions.

**17. Effectiveness of Agreement**

This Agreement shall be effective on and from the date first hereinabove written as the date of execution and shall be in force for a period up to such date till 100% of the Gross Proceeds are utilized in accordance with Clause 3 of this Agreement and the Prospectus or till the termination as per the provisions of this Agreement.

*IN WITNESS WHEREOF, the Parties have entered into this Monitoring Agency Agreement on the date mentioned above.*

*For Stallion India Fluorochemicals Limited*

*For CARE Ratings Limited*



*Authorized Signatory*



*Authorized Signatory  
Maheshkumar Narhare  
Director*