

हिन्दुस्तान फ्लूरोकार्बन्स लिमिटेड

हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड की सहायक कंपनी
(भारत सरकार का उद्यम)

पंजीकृत कार्यालय: 303, 3तल, बाबूखान एस्टेट,
बशीरबाग, हैदराबाद - 500 001 तेलंगाना भारत

टेलीफोन: 2324 0047, 2324 1051, 2323 7125, 2329 7160

फैक्स: +91-40-2329 6455

वेबसाइट: www.hfl.co.in

ई-मेल: hiflon@hotmail.com

hiflonpurchase@gmail.com



ISO 9001:2015
IND/QMS/NAB-C2975/2848



HINDUSTAN FLUOROCARBONS LIMITED

A Subsidiary of Hindustan Organic Chemicals Ltd.
(A Govt. of India Enterprise)

Regd. Office:

303, 3rd Floor, Babukhan Estate, Basheerbagh,
Hyderabad - 500 001 Telangana, INDIA

Phones: 2324 0047, 2324 1051, 2323 7125, 2329 7160

Fax: +91-40-2329 6455 Website: www.hfl.co.in

E-mail: hiflon@hotmail.com

hiflonpurchase@gmail.com

CIN-L25206TG1983PLC004037

BSE: HFL: 2024:
2024

15th October,

BSE Limited.,
Phiroze Jeejeebhoy Towers,
Mumbai - 400 001

Sir/ Madam

Sub: Submission of Initial Public Announcement under Regulation 8 read with Regulation 35 of Chapter VI(PART-A) (Special Provisions for Small Companies) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("SEBI Delisting Regulations") expressing the intention to delist the fully paid-up equity shares of Hindustan Fluorocarbons Limited ("Company")

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 30 and such other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the company is in receipt of Initial Public Announcement dated October 15, 2024 issued by Capitalsquare Advisors Private Limited ("Manager") on behalf of Hindustan Organic Chemicals Limited ("Acquirer"), in accordance with Regulation 8 read with Regulation 35 of Chapter VI(PART-A) (Special Provisions for Small Companies) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, inter alia expressing the intention of the Acquirer to: (a) acquire all the Equity Shares (as defined below) that are held by Public Shareholders by the Acquirer; and (b) consequently voluntarily delist the Equity Shares from the stock exchange where Equity Shares of the Company are presently listed i.e., BSE Limited ("BSE"), by making a delisting offer in accordance with the provisions of Securities Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. .

फैक्टरी: रुद्रराम डाकघर, संगारेड्डी जिला, तेलंगाना भारत. पिन - 502 329. ई-मेल: hiflonworks@gmail.com

Factory: P.O. Rudraram, Dist. Sangareddy, Telangana INDIA Pin: 502 329. E-mail: hiflonworks@gmail.com

हिन्दी में पत्राचार का स्वागत है ।

हिन्दुस्तान फ्लूरोकार्बन्स लिमिटेड

हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड की सहायक कंपनी
(भारत सरकार का उद्यम)

पंजीकृत कार्यालय: 303, 3तल, बाबूखान एस्टेट,
बशीरबाग, हैदराबाद - 500 001 तेलंगाना भारत

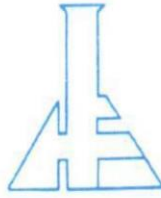
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NABCB
QM 004

HINDUSTAN FLUOROCARBONS LIMITED

A Subsidiary of Hindustan Organic Chemicals Ltd.
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hiflonpurchase@gmail.com

CIN-L25206TG1983PLC004037

In this regard, please find enclosed herewith the Initial Public Announcement. Kindly take the above information on records.

Thanking you.

Yours faithfully,

For **HINDUSTAN FLUOROCARBONS LIMITED**

SUBRAMONIAN H
COMPANY SECRETARY

फैक्टरी: रुद्रराम डाकघर, संगारेड्डी जिला, तेलंगाना भारत. पिन - 502 329. ई-मेल: hiflonworks@gmail.com

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हिन्दी में पत्राचार का स्वागत है ।

15th October, 2024

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,
Mumbai-400 001
Maharashtra, India.

Dear Sir/Madam,

Sub. : Initial public announcement under Regulation 8 read with Regulation 35 of Chapter VI(PART-A) (Special Provisions for Small Companies) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("SEBI Delisting Regulations") expressing the intention to delist the fully paid-up equity shares of Hindustan Fluorocarbons Limited ("Company")

We wish to inform you, that, In accordance with decision of Cabinet Committee on Economic Affairs (CCEA), Government of India for closure of Hindustan Fluorocarbons Limited and subsequent decisions taken in the Inter-Ministerial Committee (IMC) meetings under the Chairmanship of Secretary, Department of Public Enterprises (DPE) to take measures for completing the process of delisting of the Company shares and the directions received from Department of Investment and Public Asset Management (DIPAM) to carry out the procedural requirement of delisting of shares, Hindustan Organic Chemicals Ltd ("Acquirer") member of the Promoter Group of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("Promoter Group"), has expressed its intention to: (a) acquire all the Equity shares that are held by Public Shareholders and (b) consequently voluntarily delist the Equity Shares from the Stock exchange where the Equity Shares are presently listed namely, BSE Limited ("BSE"), by making a delisting offer in accordance with the provisions of SEBI Delisting Regulations read with exemption letter granted by SEBI vide letter no. SEBI/HO/CFD/CFD-RAC-DCR1/P/OW/2023/37693/1 dated September 12, 2023 and Letters issued by Government of India, Ministry of Chemical and Fertilizers, New Delhi (a) Letter reference no. P-51015/06/2019-Ch.III (Vol. II) dated January 29, 2020, (b) Letter No.P-53013/13/2022-CHEM.III-CPC-Part(3) dated January 19, 2023 (c) Letter reference no.P-51015/06/2019-Ch.III(pt.) dated May 24, 2024 and (d) Letter no. P-5105/3/2024- CHEM, III-CPC (FTS- 3021616) dated August 22, 2024 ("Delisting Proposal").

With regard to the Delisting Proposal, CapitalSquare Advisors Private Limited is acting as the Manager to the Offer. As required under Regulation 8(1) read with Regulation 35 of Chapter VI (PART-A) (Special Provisions for Small Companies) of the SEBI Delisting

CAPITALSQUARE ADVISORS PRIVATE LIMITED

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Tel : +91 22 66849999 Fax - +91 22 66849998 | CIN No. U65999MH2008PTC187863 | Website : www.capitalsquare.in



Regulations, we are enclosing herewith the copy of the Initial Public Announcement ("IPA") in relation to the Delisting Proposal.

We request your good office to kindly disseminate the IPA on your website at the earliest.

Capitalized terms used in this letter unless defined herein shall have the same meanings as ascribed to them in the enclosed IPA.

Thanking you
For CapitalSquare Advisors Private Limited



Mr. Sunilkumar Manocha

Director

DIN: 01888466



CC: Hindustan Fluorocarbons Limited
303, 3rd Floor, Babukhan Estate, Basheerbagh
Hyderabad - 500 001, Telangana, India

INITIAL PUBLIC ANNOUNCEMENT UNDER REGULATION 8 READ WITH REGULATION 35 OF CHAPTER VI (PART-A) (SPECIAL PROVISIONS FOR SMALL COMPANIES) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021, AS AMENDED, FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF

HINDUSTAN FLUOROCARBONS LIMITED

Corporate Identity Number: L25206TG1983PLC004037

Registered Office: 303, BABUKHAN ESTATE BASHEERBAGH, HYDERABAD, Telangana, India, 500001

This initial public announcement ("**Initial Public Announcement**" / "**IPA**") is being issued by CapitalSquare Advisors Private Limited, a merchant banker registered with the Securities Exchange Board of India ("**Manager**" or "**Manager to the Offer**") for and on behalf of Hindustan Organic Chemicals Ltd ("**Acquirer**"), member of the Promoter Group of the Hindustan Fluorocarbons Limited ("**the Company**") ("**Promoter Group**") to the Public Shareholders (as defined below) of the Company, In accordance with decision of Cabinet Committee on Economic Affairs (CCEA), Government of India for closure of the Company and subsequent decisions taken in the Inter-Ministerial Committee (IMC) meetings under the Chairmanship of Secretary, Department of Public Enterprises (DPE) to take measures for completing the process of delisting of the Company shares and the directions received from Department of Investment and Public Asset Management (DIPAM) to carry out the procedural requirement of delisting of shares, expressing the intention of the Acquirer to: (a) acquire all the Equity Shares (as defined below) that are held by Public Shareholders by the Acquirer; and (b) consequently voluntarily delist the Equity Shares from the stock exchange where Equity Shares of the Company are presently listed i.e., BSE Limited ("**BSE**"), by making a delisting offer in accordance with the provisions of Securities Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ("**Delisting Regulations**") read with exemption granted by Securities Exchange Board of India vide its letter reference no. SEBI/HO/CFD/CFD-RAC-DCR 1/P/OW/2023/37693/1 dated September 12, 2023 and any future exemptions that may be received from Securities Exchange Board of India ("**Exemption Letter**") and Letters issued by Government of India, Ministry of Chemical and Fertilizers, New Delhi (a) Letter reference no. P-51015/06/2019-Ch.III (Vol. II) dated January 29, 2020, and (b) Letter No.P-53013/13/2022-CHEM.III-CPC-Part(3) dated January 19, 2023 (c) Letter reference no.P-51015/06/2019-Ch.III(pt.) dated May 24, 2024 and (d) Letter no. P-5105/3/2024- CHEM, III- CPC (FTS- 3021616) dated August 22, 2024 ("**Delisting Proposal**").

For the purpose of this IPA, the following terms have the meanings assigned to them below:

- (i) "**Company**" shall mean Hindustan Fluorocarbons Limited;
- (ii) "**Board**" shall mean the Board of Directors of the Company;
- (iii) "**Delisting Regulations**" shall mean the SEBI (Delisting of Equity Shares) Regulations, 2021, as amended;

- (iv) **"Directions / Approvals of Government of India"** shall mean Letters issued by Government of India, Ministry of Chemical and Fertilizers, New Delhi (a) Letter reference no. P-51015/06/2019-Ch.III (Vol. II) dated January 29, 2020, b) Letter No.P-53013/13/2022-CHEM.III-CPC-Part(3) dated January 19, 2023 and (c) Letter reference no.P-51015/06/2019-Ch.III(pt.) dated May 24, 2024 and (d) Letter no. P-5105/3/2024-CHEM, III- CPC (FTS- 3021616) dated August 22, 2024.
- (v) **"Equity Shares"** shall mean fully paid-up equity shares of the Company, each having face value of Rs.10;
- (vi) **"Exemption Letter"** shall mean exemption granted by the Securities Exchange Board of India vide letter no. SEBI/HO/CFD/CFD-RAC-DCR1/P/OW/2023/37693/1 dated September 12, 2023 and Exemption letter(s) if any, issued by SEBI subsequent to the date of this IPA;
- (vii) **"Public Shareholders"** shall mean the public shareholders of the Company as defined under Regulation 2(1)(t) of the Delisting Regulations;
- (viii) **"Promoter"** shall mean the Promoter as defined under the SEBI (Issue of Capital and Disclosure Requirements), Regulation, 2018, as amended;
- (ix) **"Promoter Group"** shall mean the members of the promoter and promoter group of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- (x) **"Stock Exchange"** shall mean the BSE Limited where the equity shares of the Company are presently listed
- (xi) **"SEBI"** shall mean the Securities and Exchange Board of India; and
- (xii) **"SEBI (SAST) Regulations, 2011"** shall mean Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

1. Details of the Delisting Proposal:

- 1.1. As on date, the Acquirer holds 1,10,60,000 (One Crores Ten Lakhs Sixty Thousand) Equity Shares aggregating to 56.43% of the paid-up equity share capital of the Company. The Public Shareholders holds 76,69,100 (Seventy-Six Lakhs Sixty-Nine Thousand and Hundred) Equity Shares aggregating to 39.13% of the paid-up of the equity shares capital of the Company.
- 1.2. The Acquirer intend to voluntarily delist the Equity Shares in accordance with the Delisting Regulations and Exemption granted by SEBI through its Exemption Letter. The Acquirer shall acquire Equity shares of the Company from the Public Shareholders and pay consideration for the same.
- 1.3. In view of the above, as required under Regulation 8 read with Regulation 35 of Chapter VI (PART-A) (Special provisions for Small Companies) of the Delisting Regulations, this Initial Public Announcement is being made by the Manager for

and on behalf of the Acquirer to express the intention of the Acquirer to undertake the Delisting Proposal.

2. Rationale for Delisting Proposal:

2.1. In terms of Regulations 8(3)(a) of the Delisting Regulations, the rationale/reason for the Delisting Proposal is as follows:

2.1.1. Direction / Approval issued by the Government of India

- I. The Government of India, Ministry of Chemical and Fertilizers, New Delhi vide its letter reference no. P-51015/06/2019-Ch.III (Vol. II) dated January 29, 2020, communicated the decision of Cabinet Committee on Economic Affairs (CCEA), Government of India as follows:
 - shutting down the operations of the plant/ unit of Hindustan Fluorocarbons Limited and closure of the Company;
 - that the Company shall undertake activities/action required for the closure and for complying with the provisions under the Companies Act, IBC, SEBI/BSE Regulation, DPE Guidelines and other applicable provisions.
- II. The Government of India, Ministry of Chemical and Fertilizers, New Delhi vide Letter No.P-53013/13/2022-CHEM.III-CPC-Part(3) dated January 19, 2023 communicated the decisions taken in the Inter-Ministerial Committee (IMC) meetings under the Chairmanship of Secretary, Department of Public Enterprises (DPE) to take measures for completing the process of delisting of the Company shares and the directions received from Department of Investment and Public Asset Management (DIPAM) to carry out the procedural requirement of delisting of shares
- III. The Government of India, Ministry of Chemical and Fertilizers, New Delhi vide its letter reference no. Letter reference no.P-51015/06/2019-Ch.III(pt.) dated May 24, 2024, at the meeting held under the chairpersonship of Secretary, C & PC with the officials of Acquirer and the Company, it was communicated that the Company shall proceed with the process of delisting of Equity Shares of the Company as per SEBI Rules & Regulations.
- IV. The Government of India, Ministry of Chemical and Fertilizers, New Delhi vide its letter no. P-5105/3/2024- CHEM, III- CPC (FTS- 3021616) dated August 22, 2024, requested the Company to proceed with the delisting process based on the views of Ministry of Corporate Affairs (MCA) vide its letter O.M.No. Policy- 17/20/2024- CL- V- MCA dated June 04, 2024 which stated that *"the process of delisting of shares of a company is entirely regulated by the SEBI regulations and MCA has no comments to offer in respect of delisting of shares and legal ramifications thereof"*.

In furtherance of CCEA directions, all the productions of the Company have been discontinued, the plant has been completely shut down and the Company has ceased to be going concern.

2.1.2. Before closure of the Company, the proposed delisting will provide an exit opportunity to the Public Shareholders of the Company at a price determined in accordance with the Delisting Regulations read with Exemption Letter.

3. Undertakings/ Confirmations:

3.1. In terms of Regulation 8(3)(b) of the Delisting Regulations, the Acquirer hereby undertakes and confirm that the Acquirer:

3.1.1. have not sold any Equity Shares during the period of 6 (six) months prior to the date of this Initial Public Announcement; and

3.1.2. will not directly or indirectly, in connection with proposed delisting:

- employ any device, scheme or artifice to defraud any shareholder or other person; or
- engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
- Engage in any act or practice that is fraudulent, deceptive or manipulative.

4. Price/Consideration:

4.1. The exit price of the delisting offer has to be determined in terms of Regulation 35(2)(b) of the Delisting Regulations read with the Exemption Letter.

4.2. As per the conditions laid down in the Exemption Letter, the Acquirer will ensure that, in accordance with Regulation 35(2)(a) of the Delisting Regulations, the exit price shall be determined after consultation with the Manager to the offer which shall not be less than the floor price determined in terms of clause (e) of sub-regulation (2) of regulation 8 of the SEBI (SAST) Regulations, 2011.

4.3. The Acquirer hereby confirms and consents that it (Acquirer) shall be solely obligated to pay the exit price in cash or through any electronic mode permitted by Reserve Bank of India, as determined in terms of Delisting Regulations read with the Exemption Letter.

5. Conditions:

5.1. The acquisition of Equity Shares by the Acquirer from the Public Shareholders will be conditional upon the following:

5.1.1. The Board approving the Delisting Proposal in accordance with the Delisting Regulations.

5.1.2. The approval of the shareholders of the Company by way of special resolution in accordance with the Delisting Regulations and other applicable laws wherein the number of votes cast by the Public Shareholders in favour of the Delisting

Proposal is at least two times the number of votes cast by the Public Shareholders against it.

- 5.1.3. Receipt of the approval of the Stock Exchange in accordance with the Delisting Regulations and/ or any other statutory/ regulatory approvals and third-party consents, as may be required, in relation to the Delisting Proposal.
- 5.1.4. The Acquirer to write individually to all the Public Shareholders intimating them about the exit price together with the justification for the same along with particular reference to the applicable parameters and specific mention of the fact that the consent for Delisting Proposal would include the consent for dispensing with the exit price discovery through reverse book building method.
- 5.1.5. The number of Equity Shares being validly tendered/ the consent being received, in the delisting offer would be sufficient enough to result in the delisting offer being successful in accordance with the Delisting Regulations, as exempted under Exemption Letter or any such directions/ exemption as may be issued by SEBI in this regard.
- 5.1.6. The conditions mentioned in the Exemption Letter, or any such directions/exemption as may be issued by SEBI in this regard.

6. Other Details:

- 6.1. The Acquirer has confirmed that it has made firm financial arrangements for fulfilling the payment obligations under the Delisting Proposal and is able to implement the Delisting Proposal, subject to any statutory approvals for the Delisting Proposal that may be necessary.
- 6.2. The present delisting of Equity Shares is as per the Exemption Letter issued by SEBI which mandates the following conditions *inter alia* to be complied with by the Acquirer:
 - 6.2.1. The Acquirer shall ensure that the exit price determined as per the provisions of Regulation 35(2)(a) of the Delisting Regulations, after consultation with the Manager to the Offer, shall not be less than the floor price determined in terms of clause (e) of sub-regulation (2) of regulation 8 of the SEBI (SAST) Regulations, 2011.
 - 6.2.2. The Acquirer shall write individually to all the Public Shareholders informing them of its intention to get the equity shares delisted, the exit price together with the justification thereof and seeking their consent for the proposal for delisting.
 - 6.2.3. The communication made to Public Shareholders shall contain justification for the offer price with particular reference to the applicable parameters and

specifically mention that consent for the proposal would include consent for dispensing with the exit price discovery through reverse book building method.

- 6.2.4. The Acquirer shall complete the process of inviting the positive consent and finalization of the proposal for delisting of equity shares within seventy- five working days of the communication made in clause 6.2.2 of this IPA
- 6.2.5. The Acquirer shall make payment of consideration in cash or through any electronic mode permitted by Reserve Bank of India within fifteen working days from the date of expiry of seventy- five working days mentioned in clause 6.2.4. of this IPA
- 6.2.6. The Acquirer shall continue to accept tendered shares from remaining Public Shareholders for a period of up to 2 years from the date of delisting or such shorter period as SEBI may subsequently direct at the same price at which earlier acceptance of shares was made.
- 6.2.7. The Manager to the offer, in due coordination with the Acquirer, shall ensure that the rights of the remaining Public Shareholders are protected, and all the disclosures and compliances as mentioned in Exemption Letter in this regard are duly complied with and in furtherance of the same shall:
- a) publish, on a quarterly basis, an advertisement in the same newspapers in which the Initial Public Announcement of the offer for delisting of equity shares was published, inviting the remaining Public Shareholders to avail the exit opportunity during the two-year exit window or such shorter period as SEBI may subsequently direct after delisting of shares;
 - b) send follow up communications to the remaining Public Shareholders on a quarterly basis; and
 - c) file a quarterly progress report to the Stock Exchange, which shall be disseminated to the public thereafter by the Stock Exchange, disclosing the following:
 - number of remaining Public Shareholders at the beginning and end of the quarter; and
 - details of Public Shareholders who availed the exit opportunity during the quarter
- 6.3. The Acquirer accepts full responsibility for the information contained in this Initial Public Announcement and confirm that such information is true, fair and adequate in all material aspects. The Acquirer is aware of and shall comply with his obligations under the Delisting Regulations and the exemption letter.
- 6.4. All the information pertaining to the Company contained in this Initial Public Announcement has been obtained from publicly available sources, and the accuracy thereof has not been independently verified by the Manager to the Offer and the Acquirer.

Issued on behalf of Acquirer by the Manager to the Offer

CAPITALSQUARE™
Teaming together to create value

MANAGER TO THE OFFER:

CAPITALSQUARE ADVISORS PRIVATE LIMITED

208, 2nd Floor, AARPEE Center, MIDC Road No. 11, CTS 70, Andheri (E), Mumbai - 400
093, Maharashtra, India

Tel: 022 6684 9999/ 022 6684 9948

Website: www.capitalsquare.in

Email Id: mb@capitalsquare.in

Contact Person: Mr. Nitin Prajapati

SEBI Registration No: INM000012219

Place: Mumbai

Date: Tuesday, October 15, 2024

For and on behalf of the Acquirer:



Sajeev B

Chairman & Managing Director

DIN: 09344438

(Authorized Signatory)

Place: Kochi, Kerala

Date: 15.10.2024