



13th May, 2022

To,
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G block,
Bandra-Kurla Complex,
Bandra (E)
Mumbai 400051.
Scrip ID - HPAL

To,
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai
Scrip Code - 543433

Subject: Statement of deviation or variation in the use of proceeds of the fresh issue of the Initial Public Offer of the Company for the quarter ended March 31, 2022.

Dear Sir/ Madam,

Pursuant to Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019, please find enclosed herewith a statement of deviation(s) or variation(s) in utilization of funds raised through Initial Public Offering (IPO) for the quarter ended March 31, 2022 in the prescribed format.

The aforesaid statement has been reviewed by the Audit Committee and taken on record by the Board at their respective meetings held on 12th May, 2022.

Kindly take the same on record.

Thanking you,

Yours Truly,

For HP Adhesives Limited

Jyoti Chawda
Company Secretary
Encl: As above



HP ADHESIVES LIMITED (Formerly known as HP ADHESIVES PRIVATE LIMITED)

Corporate Office: 501, 5th floor, C Wing, Business Square Bldg., Andheri East, Mumbai 400093, Maharashtra, India
Registered Office: 11, Unique House, Chakala, Andheri (East), Mumbai 400099, India
CIN: L24304MH2019PLC325019

Tel: +91-22-68196300
Email: info@hpadhesives.com
Web: www.hpadhesives.com



Annexure A

Statement of Deviation/ Variation in utilisation of fund raised

Name of listed entity	HP Adhesives Limited
Mode of Fund Raising	Public Issue (Initial Public Offer)
Date of Raising Funds	Issue Open Date: December 15, 2021 Issue Closing Date: December 17, 2021 Date of Listing: December 27, 2021
Amount Raised	Offer for Sale: Rs. 125.27 Million Fresh Issue: Rs. 1134.36 Million Total: Rs. 1259.63 Million
Report filed for Quarter ended	March 31, 2022
Monitoring Agency	Applicable
Monitoring Agency Name, if applicable	ICICI Bank Limited
Is there a Deviation / Variation in use of funds raised	Yes, there is variation in use of funds
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	No
If Yes, Date of shareholder Approval	NA
Explanation for the Deviation / Variation	The amount has been utilized for the Capex Object as well as Working Capital Object as defined in the Prospectus. However, there has been a delay in utilization of the amount as compared to the Estimated deployment of Net Proceeds schedule as mentioned in the Prospectus for FY 2022.
Comments of the Audit Committee after review	The Audit Committee reviewed the Statement of Deviation/Variation for the utilisation of funds raised through the IPO for the quarter ended March 31, 2022, as placed before its meeting held on May 12, 2022 and noted the delay in deployment of funds due to: A. Working Capital: In March 2022, the raw material vendor to whom advance payment was made in December 2021 and January 2022, Company cancelled the purchase as the earlier material was not as per specification and hence advance was received back in March 2022. Part has already been utilized in March 2022 and the remaining part of INR 0.99 Million has already been utilized in April 2022. B. Capex: Commencement of order placement to Vendors beginning only in January 2022 post IPO completion in December 2021. Also,

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	Specific equipments which are imported as well as procured domestically are delayed due to supply chain disruption as well as resurgence of covid wave in India and certain other countries. Capex and Working Capital both are continuing Object as per Prospectus with final date of completion being FY2024. Also, as mentioned in the Prospectus that incase of estimated utilization being not undertaken in its entirety in a scheduled fiscal, remaining Net proceeds shall be utilized in subsequent Fiscals.
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Comments of the auditors, if any	No Comments
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Objects for which funds have been raised and where there has been a deviation, in the following table

(Amount in INR Mn)

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks if any
Working Capital	Not applicable	540.00	Not applicable	159.01	Not applicable	No Deviation
Capex	Not applicable	255.09	Not applicable	19.49	Not applicable	No Deviation
General Corporate purposes	Not applicable	172.35	171.82*	171.82	Not applicable	No Deviation

*The amount mentioned in the Prospectus for General Corporate Purpose was subject to finalization of Issue expenses. After finalizing all the Issue expenses in quarter ended March 2022, General corporate purpose amount has been revised to reflect the same.

Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
- (c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc.,


Name of the Signatory: Anjana Haresh Motwani
Designation: Executive Director
Date: 13th May, 2022



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