



14th November, 2024

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

To,
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001.
Script Code - 543433

Sub: Monitoring Agency Report for the quarter ended 30th September, 2024.

Dear Sir/ Madam,

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith the Monitoring Agency Report dated 14th November, 2024 issued by ICICI Bank Limited, Monitoring Agency, for the quarter ended 30th September, 2024 with respect of utilization of proceeds of the IPO of the Company.

Request you to please take the above 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



Report of the Monitoring Agency

Name of the Issuer: : M/S HP Adhesives Limited
For quarter ended: September 30, 2024
Name of the Monitoring Agency: ICICI Bank Limited

a) Deviation from the objects: No deviation from the objects

(b) Range of Deviation*: Not applicable

Declaration:

We declare that this report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018, We further declare that this report provides a true and fair view of the utilization of the issue proceeds.

We declare that we do not have any direct/indirect interest in or relationship with the issuer/promoters/ directors/management and also confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

Signature:

Name of the Authorized Person/Signing Authority: Narasimha Nayak
Designation of Authorized person/Signing Authority: Zonal Head
Seal of the Monitoring Agency:
Date: 14th November 2024



1) Issuer Details:

Name of the issuer: M/S HP Adhesives Limited

Names of the promoter: Mrs. Anjana Haresh Motwani and Mr. Karan Haresh Motwani.

Industry/sector to which it belongs: Manufacture a wide range of consumer adhesives and sealants products.

2) Issue Details:

Issue Period: December 15, 2021 to December 17, 2021

Type of issue (public/rights): Public Issue

Type of specified securities: Equity Shares

Public Issue Grading, if any: NA

Issue size (in Million): Fresh Issue of Equity Shares of ₹ 1134.3 Million

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

[(Give item by item description for all the objects, as well as for the sub-heads (if any) given under objects, stated in the offer document separately in following format)]

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments of the Board of Directors |
|---|--------|--|-----------------------------------|------------------------------------|
| Whether all utilization is as per the disclosures in the Offer Document? | Yes/No | Certificate provided by Statutory Auditor | Yes | Yes |
| Whether shareholder approval has been obtained in case of material deviations* from expenditures disclosed in the Offer Document? | Yes/No | NA | NA | NA |
| Whether the means of finance for the disclosed objects of the issue has changed? | Yes/No | NA | No | No |
| Is there any major deviation observed over the earlier monitoring agency reports? | Yes/No | NA | NA | NA |
| Whether all Government/statutory approvals related to the object(s) have been obtained? | Yes/No | Declaration provided by the company | NA | Yes |
| Whether all arrangements pertaining to technical assistance/collaboration are in operation? | Yes/No | NA | NA | NA |
| Are there any favorable events improving the viability of these object(s)? | Yes/No | NA | NA | No |
| Are there any unfavorable events affecting the viability of the object(s)? | Yes/No | NA | No | No |
| Is there any other relevant information that may materially affect the decision making of the investors? | Yes/No | NA | NA | No |

*Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

b) Deviation in the amount of fund actually utilized by more than 10% of the amount projected in the offer documents. NA

ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai 400 051, India

Tel.: (91-22) 2653 1414
Fax: (91-22) 2653 1122
Website www.icicibank.com
CIN.: L65190GJ1994PLC021012

Regd. Office:
ICICI Bank Tower,
Near Chakli Circle,
Old Padra Rd,
Vadodara 390 007, India



4) Details of object(s) to be monitored:

(i) Cost of object(s)- (All In ₹ millions)

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Original Cost (as per Offer Document) | Revised Cost | Comments of Monitoring Agency | Comments of Board of Directors | | |
|--------|---|--|---------------------------------------|----------------|-------------------------------|--------------------------------|---------------------------|---------------------------------------|
| | | | | | | Reason of cost revision | Proposed financing option | Particulars of firm arrangements made |
| 1 | Funding the incremental working capital requirements of the Company | Statutory Auditor Certificate and Company Declaration | 540.00 | NA | No Comments | NA | NA | NA |
| 2 | Funding capital expenditure for the Proposed Expansion | Statutory Auditor Certificate and Company Declaration | 255.09 | NA | No Comments | NA | NA | NA |
| 3 | General corporate purposes | Statutory Auditor Certificate and Company Declaration | 172.35 | 171.82* | No Comments | NA | NA | NA |
| | Total | | 967.44 | 966.91* | | | | |

*GCP Revised to 171.82 from 172.35 due to finalization of Issue Expenses

(ii) Progress in the object(s)- (All In ₹ millions)

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in Offer Document | Amount utilized* | | | Total unutilized Amount | Comments of Monitoring Agency | Comments of Board of Directors | |
|--------|---|--|--------------------------------------|--------------------------------|--------------------|--|-------------------------|-------------------------------|--------------------------------|---------------------------|
| | | | | As at Beginning of the quarter | During the quarter | At the end of the quarter [^] | | | Reason of idle funds | Proposed Course of Action |
| 1 | Funding the incremental working capital requirements of the Company | Statutory Auditor Certificate and Company Declaration | 540.00 | 540.00 | - | 540.00 | - | No Comments | NA | NA |
| 2 | Funding capital expenditure for the Proposed Expansion | Statutory Auditor Certificate and Company Declaration | 255.0 | 172.72 | 24.14 | 196.86 | 58.22** | No Comments | NA | NA |
| 3 | General Corporate Purposes | Statutory Auditor Certificate and Company Declaration | 171.82 | 171.82 | - | 171.82 | - | No Comments | NA | NA |
| | Total | | 966.91 | 884.54 | 24.14 | 908.68 | 58.22** | | | |

[^]The Amount utilized represents actual payments made Inclusive of Taxes.

** The amount has been utilized for the Capex Object as defined in the Prospectus. However, there has been a delay in utilization of the Capex amount as compared to revised timeline provided in the Q1 FY2023 monitoring agency report. Details provided in table titled - (iv) Delay in Implementation of the Objects.



(iii) Deployment of unutilized Public Offer proceeds- (All In ₹ millions)

| Sr. No | Type of instrument and name of the entity invested in | Amount invested | Maturity date | Interest Earning upon maturity | Return on Investment (%) | Market Value as at the end of quarter |
|--------|---|-----------------|---------------|--------------------------------|--------------------------|---------------------------------------|
| 1 | Fixed Deposits - ICICI Bank | 0.16 | 02/05/25 | 0.01 | 7.10% | 0.16 |
| 2 | Fixed Deposits - Indusind Bank | 19.32 | 04/07/25 | 0.38 | 7.65% | 19.32 |
| 3 | Fixed Deposits - Indusind Bank | 40.00 | 29/11/24 | 0.68 | 6.85% | 40.24 |
| 4 | Fixed Deposits - Indusind Bank | 20.52 | 30/12/24 | 0.34 | 5.00% | 20.61 |
| 5 | Fixed Deposits - Indusind Bank | 19.45 | 17/12/24 | 0.34 | 7.00% | 19.50 |
| 6 | Monitoring agency account Balance | 0.09 | - | - | - | - |
| 7 | Less: Interest Credited to Account on Fixed Deposits maturity proceeds. | (41.33) | - | - | - | - |
| | Total | 58.22 | | | | |

Note: Effect of Interest on FD with partial/ prematurity withdrawals, if any not considered above.

(iv) Delay in implementation of the object(s)-

| Object(s) Name | Completion Date | | Delay (No. of days/ months) | Comments of Board of Directors | |
|----------------|-----------------------|-----------|-----------------------------|--|---|
| | As per Offer Document | Actual * | | Reason of delay | Proposed Course of Action |
| Capex | Q4 FY2024 | Q4 FY2025 | 12 months | As there was a delay in spending in FY22 allocated amount, the amount proposed to be spent on capex in FY23 has spilled over to FY24. However, capex for capacity additions have not been impacted and the same has been carried out as per expected production forecast to meet estimated demand. | This is a continuing Object as per Prospectus with final date of completion being FY2024. 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. Management is working on areas where balance capex will be incurred in FY25 (as mentioned in Mar'23 Company declaration) however it may be revised in case of any change in market scenario, etc. |

* In case of continuing object(s) please specify latest/revised estimate of completion date

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: (₹/Million)

| Sr. No | Item Head | Amount as proposed in Offer Document | Amount utilized | | | Total unutilized Amount |
|--------|---------------------------|--------------------------------------|--------------------------------|---------------------|---------------------------|-------------------------|
| | | | As at Beginning of the quarter | During the quarter# | At the end of the quarter | |
| 1 | General Corporate Purpose | 171.82 | 171.82 | - | 171.82 | - |

Signature:

Name of the Authorized Person/Signing Authority: Narasimha Nayak
 Designation of Authorized person/Signing Authority: Zonal Head
 Seal of the Monitoring Agency:
 Date: 14th November 2024

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 Bandra-Kurla Complex
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