



HFCL Limited

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HFCL/SEC/24-25

October 21, 2024

BSE Ltd. 1 st Floor, New Trading Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400001 corp.relations@bseindia.com Security Code No.: 500183	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, C - 1, Block G Bandra - Kurla Complex, Bandra (E) Mumbai - 400051 cmlist@nse.co.in Security Code No.: HFCL
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RE: Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Subject: Statement of deviation(s) or variation(s), if any, of utilization of proceeds received from Qualified Institutions Placement (QIP).

Dear Sir(s)/ Madam,

We would like to inform that the Company had raised funds by way of allotment of 5,10,14,491 (Five Crores Ten Lakhs Fourteen Thousand Four Hundred and Ninety One) equity shares of face value of Re.1/- each, to qualified institutional buyers ("QIBs"), at a price of Rs.69/- per Equity Share (including premium of Rs.68/- per Equity Share), pursuant to the resolution passed by the Board of Directors dated September 02, 2022, special resolution passed by the Shareholders at their 35th Annual General Meeting (AGM) held on 30th September, 2022, the preliminary placement document dated August 28, 2023, the placement document dated August 31, 2023 and resolution of the Fund Raising Committee of the Board of Directors dated August 31, 2023 (the "Issue").

We would further like to inform that the Audit Committee, at its meeting held on October 21, 2024, has reviewed the actual utilization of funds received for an amount aggregating ~Rs.352 crores, pursuant to the Issue.

In this connection, we submit that there is no deviation or variation from the objects of the Issue, in the utilization of proceeds, as stated in the placement document or explanatory statement to the aforesaid AGM Notice, during the quarter ended September 30, 2024.

In terms of Regulations 32(1), 32(2) and 32(3) of the SEBI Listing Regulations, a statement of deviation or variation, if any, in utilisation of funds raised through Qualified Institutions Placement (QIP), for the quarter ended September 30, 2024, duly reviewed by the Audit Committee, in the prescribed format is also enclosed herewith.

You are requested to take the above information on records and disseminate the same on your respective websites.

Thanking you.

Yours faithfully,
For **HFCL Limited**

(Manoj Baid)
President & Company Secretary

Encl.: Statement of deviation or variation in utilization of funds.



HFCL Limited

Statement of Deviation / Variation in utilization of funds raised						
Name of listed entity	HFCL Limited					
Mode of Fund Raising	Qualified Institutions Placement (QIP)					
Date of Raising Funds	August 31, 2023					
Amount Raised	Rs.352 Crores (approx.)					
Report filed for Quarter ended	September 30, 2024					
Monitoring Agency	Yes					
Monitoring Agency Name, if applicable	Care Ratings Limited					
Is there a Deviation / Variation in use of funds raised	No					
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable					
If Yes, Date of shareholder Approval	Not Applicable					
Explanation for the Deviation / Variation	Not Applicable					
Comments of the Audit Committee after review	No comments					
Comments of the auditors, if any	No comments					
Objects for which funds have been raised and where there has been a deviation, in the following table						
Original Object	Modified Object, if any	Original Allocation (Amount in Crores)	Modified allocation, if any (Amount in Crores)	Funds Utilized (Amount in Crores)	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks if any
(a) Capital expenditure	N.A.	75.00	N.A.	2.50	N.A.	
(b) Research and Development Expenditure	N.A.	85.00	N.A.	85.00	N.A.	
(c) Repayment/prepayment of our short term borrowings	N.A.	74.04	N.A.	74.04	N.A.	
(d) Funding Working Capital Requirements	N.A.	75.00	N.A.	75.00	N.A.	
(e) General corporate purposes	N.A.	33.46	33.65*	33.65	N.A.	
Total		342.50 *(net of issue expenses)		270.19		
<p>*The actual issue proceeds comes to ~Rs.352 Crores and as per placement document, the expenses related to the issue were estimated at Rs.9.50 Crores. However, the actual issue related expenses incurred as on December 31, 2023 were Rs.9.31 Crores. Accordingly, the balance unutilised Rs.0.19 Crores were already transferred to the Monitoring Account on December 30, 2023.</p> <p>During the quarter ended December 31, 2023, the utilisation of funds under the object "General corporate purposes" increased from estimated amount of Rs.33.46 Crores to Rs.33.65 Crores due to decline in actualization of issue expenses from the estimated issue expenses by Rs.0.19 Crores. Accordingly, the net issue proceeds allocated towards various Objects is Rs.342.69 Crores.</p>						
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.						
<p>Manoj Baid (President & Company Secretary)</p>						