



12th September, 2022

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai 400 051.
Script code: HPAL

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Script code: 543433

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Analyst/ Institutional Investor Meeting.

Dear Sir/ Madam,

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the management of the Company shall participate in the **"Edelweiss Home Decor Conference"** today i.e. Monday, 12th September, 2022 between 04:00 p.m. to 06:00 p.m.

Please note that the schedule of the aforesaid meeting is subject to change on account of exigencies on the part of the Analyst/ Institutional Investor.

The presentation to be shared during the meeting is attached. This information is also being uploaded on the Company's Website www.hpadhesives.com.

You are requested to take this information on records.

Yours Faithfully,

For **HP Adhesives Limited**

JYOTI
NIKUNJ
CHAWDA
Digitally signed
by JYOTI NIKUNJ
CHAWDA
Date: 2022.09.12
14:16:49 +05'30'

Jyoti Chawda
Company Secretary



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

HP Adhesives Ltd.



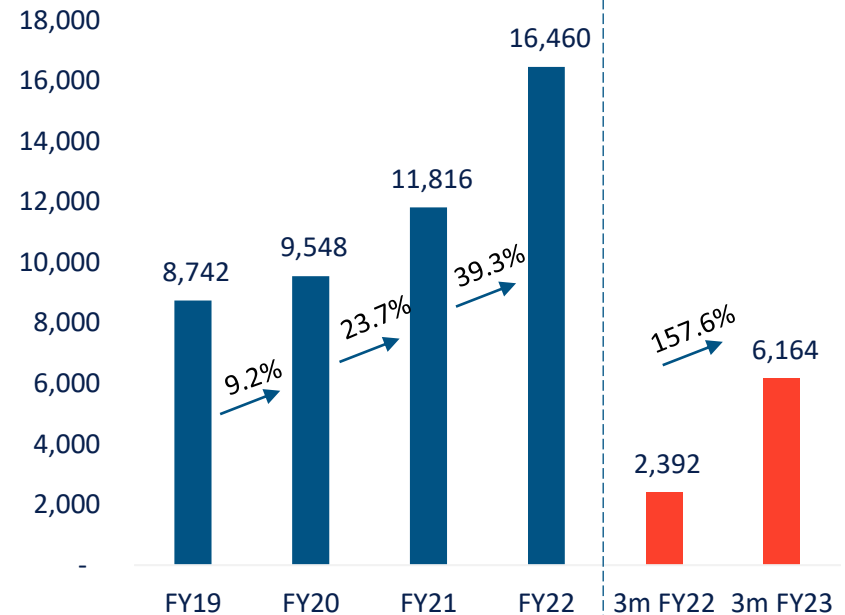
Expanding Capabilities. Ensuring Growth.

OVERVIEW – HP ADHESIVES LTD.

Introduction

- Fast growing adhesives and sealants company
- 30+ years of promoter experience
- Wide product portfolio :
 - PVC, uPVC and cPVC solvent cement
 - Silicone, Acrylic, PU and other sealants
 - Synthetic rubber adhesives
 - PVA adhesives
 - Other ancillary products
- Pan-India distribution network and catering to international market also
- Successfully raised INR 125.96 cr by way of IPO in Dec 2021

Revenue from Operations (INR Lakhs)



As per Crisil Research (Nov '21), **HP is the largest solvent cement manufacturer in India**



Presence in 23 states and 4 UTs through a **network of 1100+ distributors** and catering to Exports market also



Well-positioned to continue the growth momentum with a wide product portfolio

WIDE PRODUCT PORTFOLIO WITH VARIED APPLICATIONS

Solvent Cement



Silicone and Other Sealants



Synthetic Rubber adhesives



PVA adhesives



Ball valves and Tapes



Brands					
Sales (As % of Sales)	INR 9,975 lacs (59.3%)	INR 2,171 lacs (12.9%)	INR 1,405 lacs (8.4%)		INR 2,298 lacs (13.7%)
3-yr Sales CAGR	▪ 14.5%	▪ 207.4%	▪ 111.4%		▪ 69.1%
End-user industries	<ul style="list-style-type: none"> ▪ Plumbing and Sanitary ▪ Drainage and water supply ▪ Irrigation 	<ul style="list-style-type: none"> ▪ Glass and glazing ▪ External weather sealing ▪ General interior sealing ▪ Bathroom and sanitary ▪ Automotive 	<ul style="list-style-type: none"> ▪ Furniture and wood working ▪ PVC flooring ▪ Footwear ▪ AC ducting ▪ Upholstery ▪ Foam-furnishing ▪ Automotive 	<ul style="list-style-type: none"> ▪ Furniture and wood working ▪ General purpose 	<ul style="list-style-type: none"> ▪ Plumbing and sanitary ▪ Drainage and water supply ▪ Irrigation ▪ Wood working ▪ General purpose
Started since	▪ Inception	▪ 2019	▪ 2018	▪ 2018	▪ 2015

Note: Sales figures above are net of tax but before turnover discount and credit notes

DISTRIBUTION CAPABILITIES

Multi-channel sales approach

Domestic – Distribution-led

- Domestic distribution driven-sales is across India through more than 1100 distributors across 23 states
- Below is overview of # of distributors in domestic region:

Domestic Region	# of distributors
West	400+
North	250+
South	250+
East	200+

Exports

- HP sells to distributors and large direct customers in international markets – last year it sold its products in 20+ countries.
- Below is select countries of exports by HP :



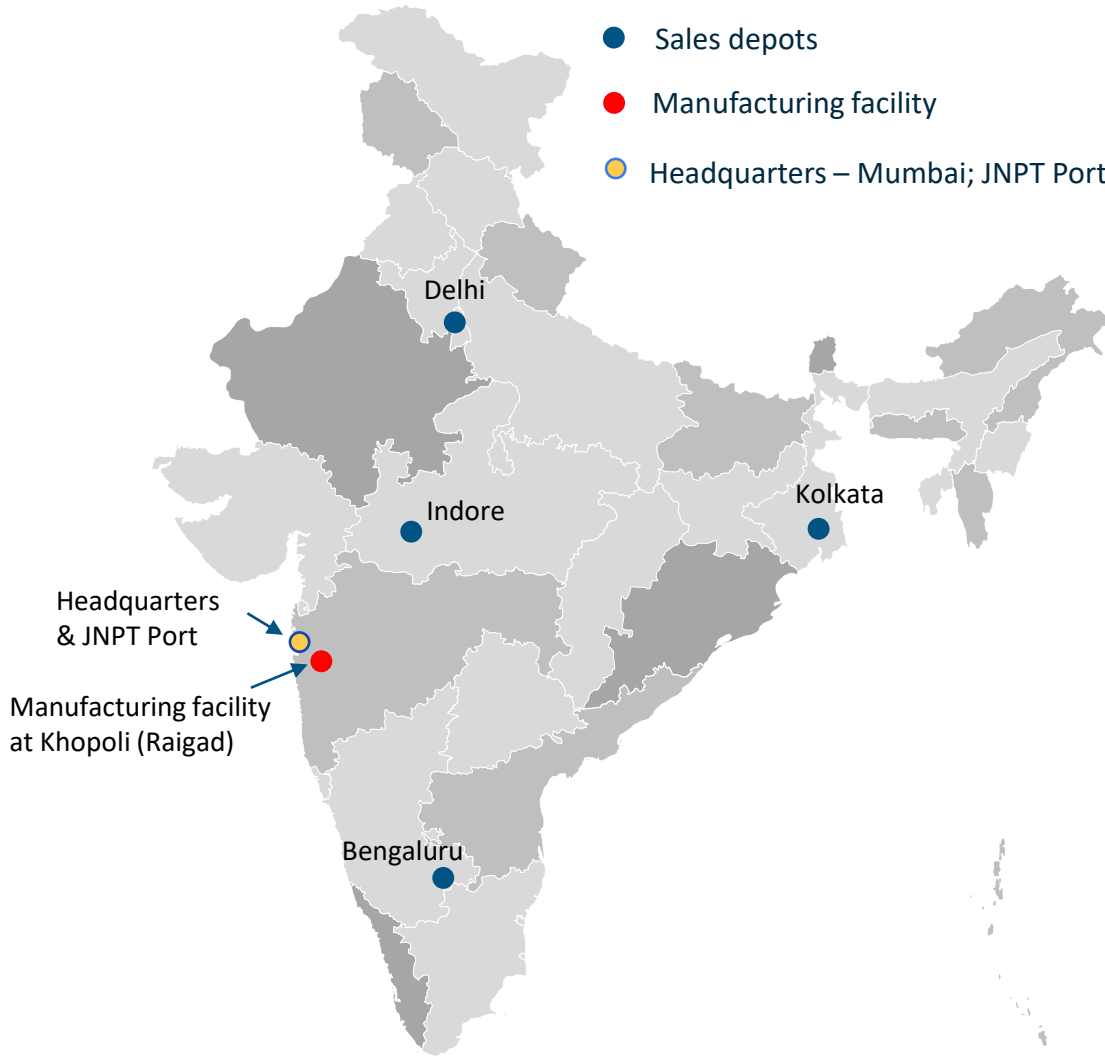
Institutional sales

- HP also supplies to select large Pipes manufacturing companies who in-turn sell to the end-customer – HP has relationship with several customers for over a decade
- This segment contributed approx. 25% of sales in FY22

Note: Figures in bracket indicate approx. % share in total sales for FY22

STRATEGICALLY LOCATED INFRASTRUCTURE

Close to Port and proximity to customer zones



- Factory Location – Village Narangi, Taluka Khalapur, Dist. Raigad, Maharashtra
- ~55 kms from JNPT Port where Company receives key raw materials supplies from Imports
- HP Adhesives has got the following certifications:

ISO 9001:2015

ISO 14001:2015

ISO 45001:2018



EXISTING MANUFACTURING FACILITY



- Manufacturing lines primarily consists of blenders / mixers, filling lines and packaging lines
- Once new unit fully commissioned, existing unit will house solvent cement adhesives and other categories will move to new unit.

NEW FACTORY BUILDING NEARING COMPLETION



- New unit constructed in adjacent plot to existing manufacturing facility at Khopoli. Utilities also currently being installed
- Consent to Operate already obtained with amalgamated capacities for both units combined.
- Part commissioning of new unit soon with silicone sealants manufacturing. Rubber adhesives and PVA adhesives equipments will be transitioned subsequently.

BOARD OF DIRECTORS

Board of Directors



Anjana Motwani (Chairperson & Executive Director)

- Aged 65 yrs, She has been instrumental in growth and development of the Company
- More than 4 decades of experience in this industry
- Currently overseeing the operations as well as purchase and finance areas of the Company



Karan Motwani (Managing Director)

- Aged 37 yrs, he has played a key role in growing the Company by introducing new products and expanding distribution network
- Joined the Company in 2007 and is responsible for driving the growth strategy and vision execution



Nidhi Motwani (Executive Director)

- Aged 30 yrs, she joined the Company in Feb 2016
- Previously worked with India Philip Morris, Suzlon Energy and Godfrey Philips India
- She holds a Masters degree in Global business from S P Jain, Mumbai



Surendra Mehta (Non-executive & Independent Director)

- Aged 57 yrs, he is a qualified CA and CS
- Previously worked with ACC Ltd. as Head of business excellence, iGATE as VP – Finance, IGE (India) Ltd. as CFO and CS and has over 3 decades of experience



Ajeet Walavalkar (Non-executive & Independent Director)

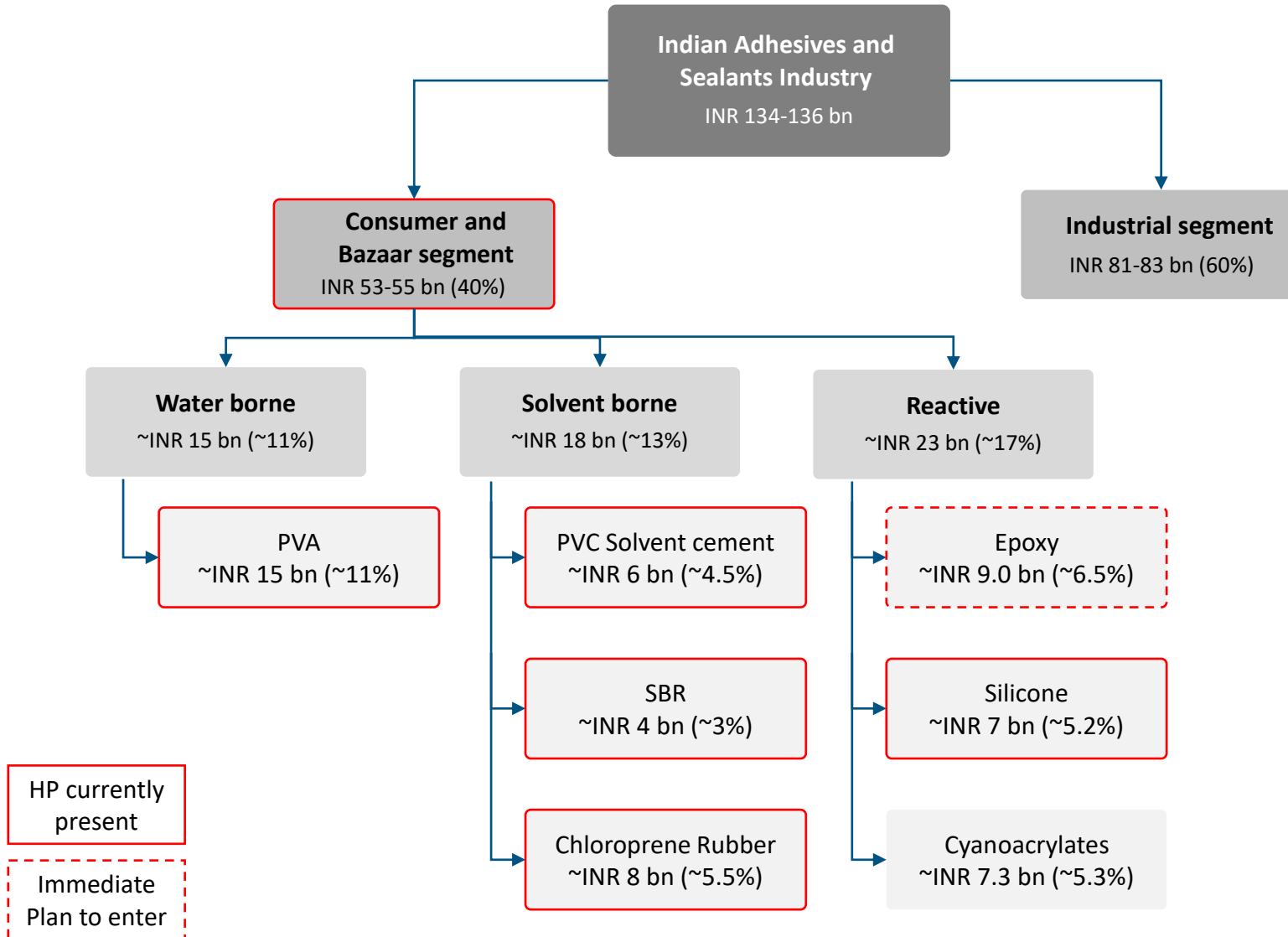
- Aged 65 yrs, he is an Electrical engineer
- He was ED of Morris Line Engineering and before that he was COO of Bahwan Engineering Co. LLC, Oman (USD 5+ bn group) where he spent 35+ years in various positions



Rajendra Kumar Jain (Non-executive & Independent Director)

- Aged 55 yrs, he is a qualified CS and holds law degree
- Almost 2 decades of experience as practicing Company Secretary
- Presently he is acting as Secretary General of Mewar Chamber of Commerce and Industry since 2017

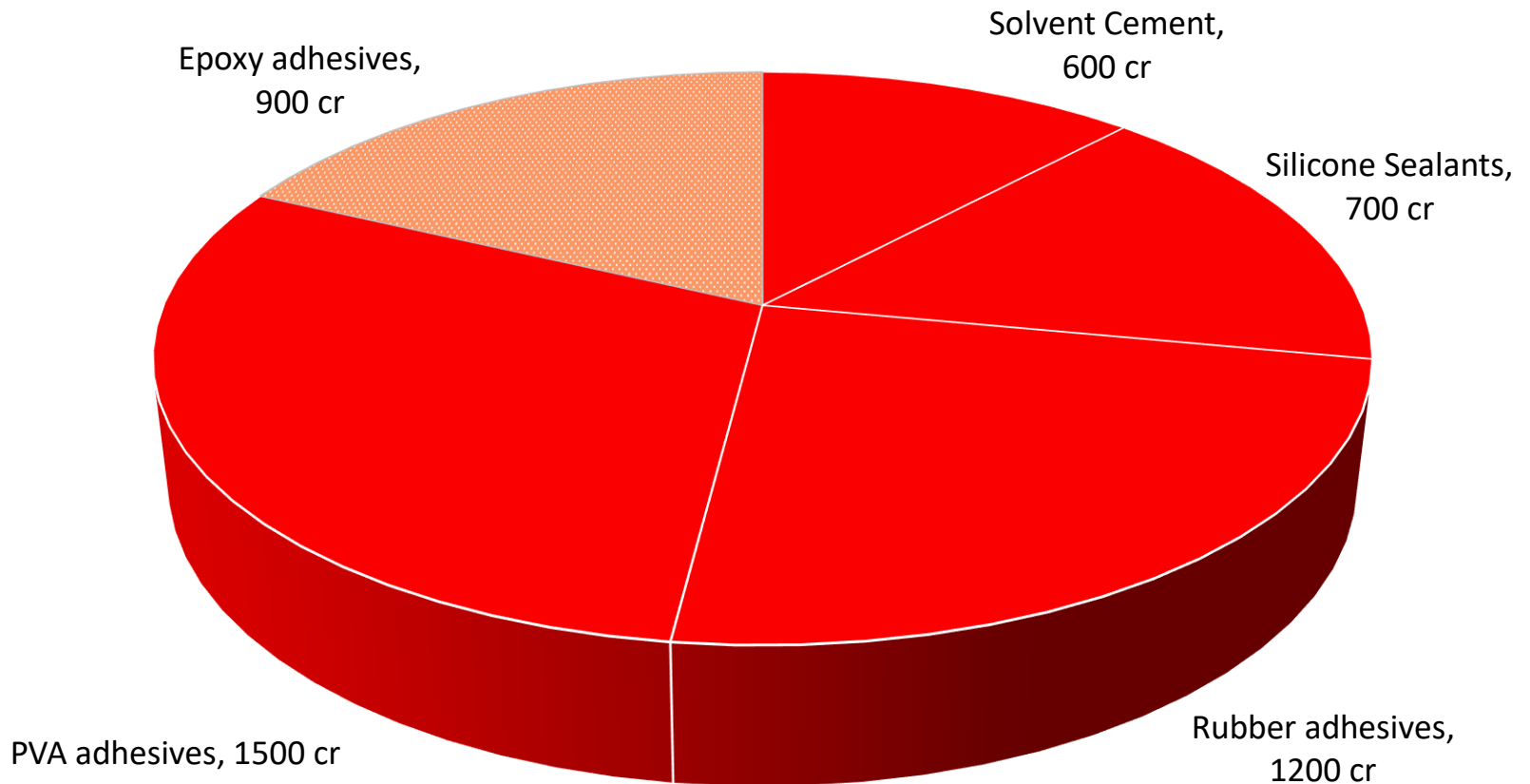
INDUSTRY – AS PER CRISIL RESEARCH*



*Source: Crisil report dated Nov 2021 commissioned by HP Adhesives Ltd.: Assessment of Adhesives and Sealants Market in India

CONSUMER ADHESIVES INDUSTRY – INDIA


Consumer adhesives pie in which HP is operating – ~INR 5000 cr



Note: Figures indicate consumer and bazaar segment market size of that product segment as per Management estimates based on Crisil research

WELL-THOUGHT STRATEGY TO GROW IN THIS HIGH POTENTIAL INDUSTRY



- 
- The HP logo is positioned on the left side of the slide, partially enclosed by a large red arc that curves from the top left towards the bottom left. The logo features the lowercase letters 'hp' in red, with a red swoosh above them.
- 1 Continue to introduce new product categories and strengthen market positioning of recently launched products
 - 2 Expansion of distribution network across India as well as globally
 - 3 Increase the size of sales team to strengthen secondary penetration
 - 4 Continue to invest in plant automation to improve productivity
 - 5 Enhance demand by incentivizing end-user i.e. the applicators

FINANCIALS – SNAPSHOT

In INR lakhs

Particulars	12m Mar-19	12m Mar-20	12m Mar-21	12m Mar-22
Total Income	8,797.64	9,790.75	12,387.96	16,742.69
<i>y-o-y growth</i>		11.3%	26.5%	35.2%
Cost of Material consumed (incl. inc/dec. in WIP and Finished goods)	5,712.16	6,218.52	8,122.29	12,085.62
Gross Profit	3,085.48	3,572.23	4,265.66	4,657.07
<i>Gross Margin</i>	35.1%	36.5%	34.4%	27.8%
Other Operating expenses	2,215.39	2,880.28	2,496.99	3,244.42
Reported EBITDA	870.09	691.95	1,768.67	1,412.65
<i>Reported EBITDA Margin</i>	9.9%	7.1%	14.3%	8.4%
Profit before Tax (before exceptional item)	405.91	207.66	1,323.02	815.24
Exceptional Item	-	743.71	-	-
Profit before Tax (after exceptional item)	405.91	(536.06)	1,323.02	815.24
Tax	(5.84)	69.00	(317.06)	(214.59)
Profit after Tax	400.07	(467.05)	1,005.96	600.65

FY20 was impacted by One-off operating expense as well as exceptional item. 1. One-off Business promotion expenses like channel meets, etc. done to the tune of approx. INR 3.0 cr, results of which are visible in FY21. 2. Exceptional item – payment made under Sab ka Vishwas legacy dispute resolution scheme and Maha VAT amnesty scheme

Commentary:

- **High sales growth** led by increasing contribution by newer product categories as well as expanding customer base
- **Steady gross margins** except FY22 which witnessed sharp increase in RM prices impacting cost of material consumed resulting in compressed gross margins – management has taken several steps to mitigate this impact to a certain extent in the coming months
- **EBITDA and PAT margins will maintain upward trajectory** over mid-to-long term as the sales continue to grow at a fast pace and operating leverage will kick-in

PROFIT & LOSS STATEMENT – AUDITED

In INR lakhs

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
INCOME		
Revenue from operations	16,459.89	11,816.16
Other income	282.80	571.80
Total Income	16,742.69	12,387.96
EXPENSES		
Cost of Material Consumed	9,495.96	8,868.71
Purchases of stock-in-trade	2,237.80	839.65
Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	351.85	(1,586.07)
Employee benefits expenses	1,733.43	1,473.58
Other expenses	1,510.98	1,023.41
Finance costs	313.40	255.31
Depreciation and Amortisation expense	284.02	190.33
Total	15,927.45	11,064.92
Profit / (Loss) before Exceptional items and tax	815.24	1,323.03
Exceptional items	-	-
Profit / (Loss) before tax (PBT)	815.24	1,323.03
Tax expense		
Current tax	(177.74)	(250.22)
Deferred tax	(43.15)	(66.84)
Income Tax Excess/(Short) Provision of previous year	6.29	-
Total Tax Expense	(214.59)	(317.06)
Profit after Tax (PAT)	600.65	1,005.97

PROFIT & LOSS STATEMENT – AUDITED (CONTD.)

In INR lakhs

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Other comprehensive income		
<i>A Items that will not be reclassified to profit or loss account</i>		
(i) Re-measurement gains / (losses) on defined benefit plans	58.07	15.35
(ii) Income tax relating to items that will not be reclassified to profit or loss	(14.61)	(3.86)
<i>B Items that will be reclassified to Profit or loss account</i>	-	-
	43.45	11.49
Other comprehensive income for the year, net of tax (A+B)	43.45	11.49
Total comprehensive income for the year	644.10	1,017.46
Earnings per Equity Share (Face Value of Rs. 10/- each)		
Basic in Rs.	3.95	7.74
Diluted in Rs.	3.95	7.74

BALANCE SHEET – AUDITED

In INR lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
ASSETS		
Non-current assets		
Property, Plant and Equipment	2,063.68	1,865.82
Capital work-in-progress	1,754.49	652.03
Right of Use Assets	488.80	38.26
Other Intangible Assets	16.66	17.18
Financial Assets		
Other Financial Assets	1,432.00	-
Deferred Tax Asset (net)	128.83	171.98
Other Non-Current Assets	223.93	55.58
Total Non-Current Assets	6,108.40	2,800.85
Current Assets		
Inventories	4,116.88	3,239.69
Financial Assets		
Trade Receivables	3,205.16	2,286.61
Cash and Bank Balances	4,768.00	83.10
Loans	119.04	116.65
Current Tax Assets (net)	-	-
Other Current Assets	1,224.42	450.97
Total Current Assets	13,433.50	6,177.03
TOTAL ASSETS	19,541.90	8,977.89

BALANCE SHEET – AUDITED (CONTD.)

In INR lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	1,837.49	1,300.00
Other Equity	11,896.44	(34.11)
Total Equity	13,733.93	1,265.89
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	390.25	14.52
Borrowings	429.08	854.69
Other Non Current Liabilities	-	-
Provisions	91.61	119.18
Total Non-Current Liabilities	910.95	988.39
Current Liabilities		
Financial Liabilities		
Lease Liabilities	115.29	24.25
Borrowings	921.31	3,365.75
Trade Payables		
(i) Total outstanding dues of Micro and Small Enterprises	704.61	396.01
(ii) Total outstanding dues of creditors other than Micro and Small Enterprises	2,461.52	2,193.02
Other Financial Liabilities	293.39	340.56
Other Current Liabilities	264.97	127.30
Provisions	96.08	141.66
Current Tax Liabilities (Net)	39.86	135.07
Total Current Liabilities	4,897.02	6,723.61
TOTAL LIABILITIES	5,807.97	7,712.00
TOTAL EQUITY AND LIABILITIES	19,541.90	8,977.89

Disclaimer: This presentation may contain statements which are “forward looking” in nature including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to HP Adhesives Ltd. (“HP Adhesives” or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

HP Adhesives undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



CONTACT:

Mihir Shah

Chief Finance Officer

mihir@hpadhesives.com

HP Adhesives Ltd.

Corporate Office: C-501, Business Square, Sir Mathuradas VasANJI Road, Andheri East, Mumbai – 400 053

Registered Office: 11, Unique House, Chakala, Andheri East, Mumbai – 400 099

For more info, visit www.hpadhesives.com