



## IPO DETAILS

# HP Adhesives Limited



Issue Opens

15<sup>th</sup> Dec 21, Wed

Issue Closes

17<sup>th</sup> Dec 21, Fri

Min. Lot Size

50 Shares

Issue Price Band

₹262 - ₹274

Industry

Specialty Chemicals

Issue size

Fresh Issue:

0.41 Cr Equity Shares  
(₹113.44 Cr)

OFS:

0.05 Cr Equity Shares  
(₹12.53 Cr)

Face Value

₹10

Listing at

NSE, BSE

### Objectives of the Issue

Funding capital expenditure for existing and proposed expansion.

Funding the incremental working capital requirement of the Company.

General corporate purposes.

Rating

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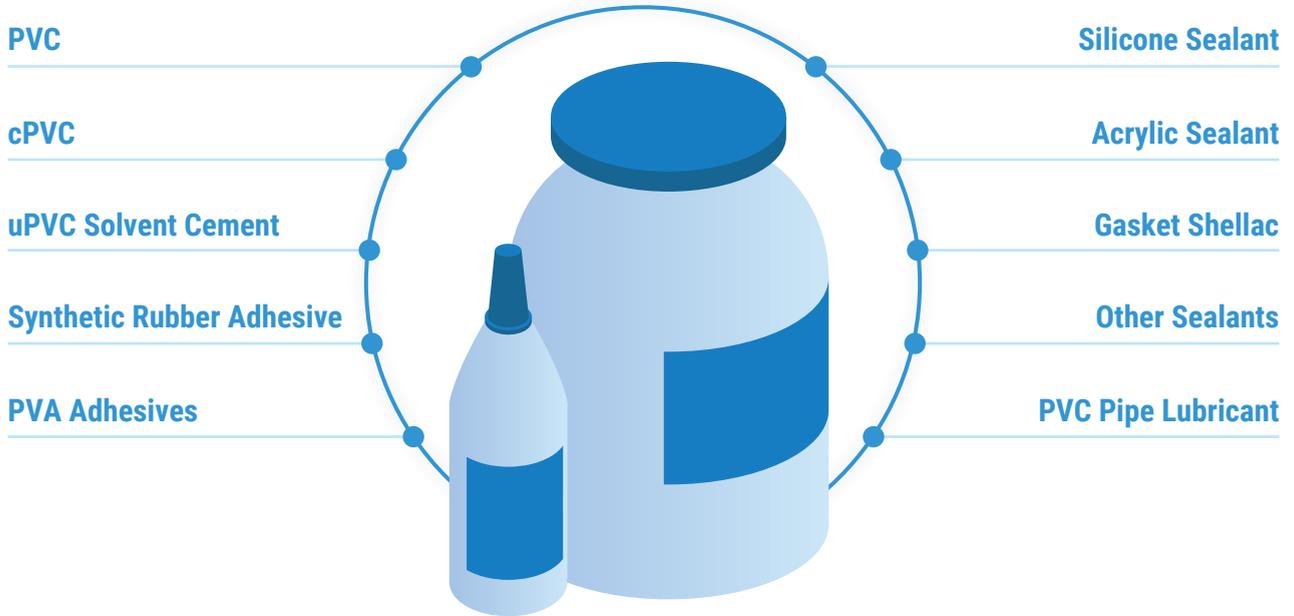


HP Adhesives Limited

## Company Overview

HP Adhesives Ltd. is a fast-growing multi-product, multi-category consumer adhesives and sealants company, for PVC solvent cement product the company is amongst the leading manufacturing companies in India in the consumer segment of the adhesive industry.

### Consumer Adhesives and Sealants Products Range



### Ancillary Products Range



### Sold Products to Countries



#### Distribution Network

As of September 30, 2021, company's distribution network comprised of 4 depots situated in Delhi, Kolkata, Bengaluru and Indore with more than 750 distributors who cater to more than 50,000 dealers in India.



#### Company's Facilities

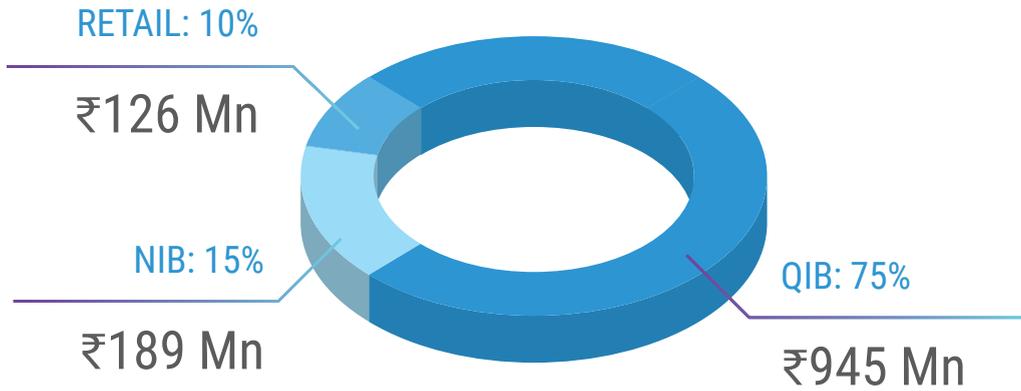
The company has manufacturing facility located at Village Narangi, Raigad (Maharashtra) which is a multi-product manufacturing facility, strategically located in close proximity to Jawaharlal Nehru Port Trust (JNPT).



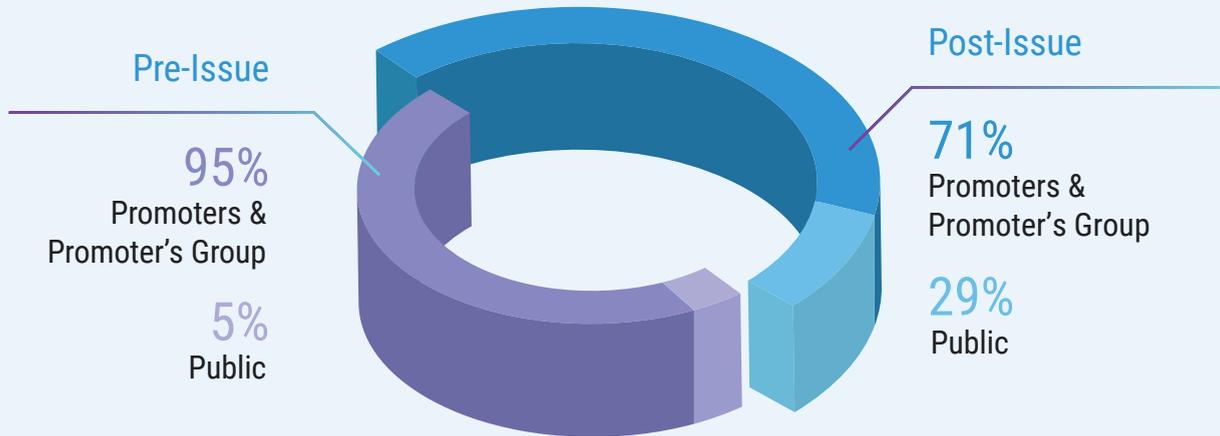
HP Adhesives Limited

# Issue Details

## Issue Break-Up



## Shareholding Pattern



## Capital Structure (in ₹)





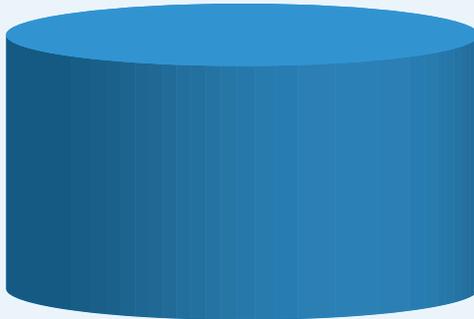
HP Adhesives Limited

# Valuations and Peer Comparison

Market Cap  
₹5,035 Mn

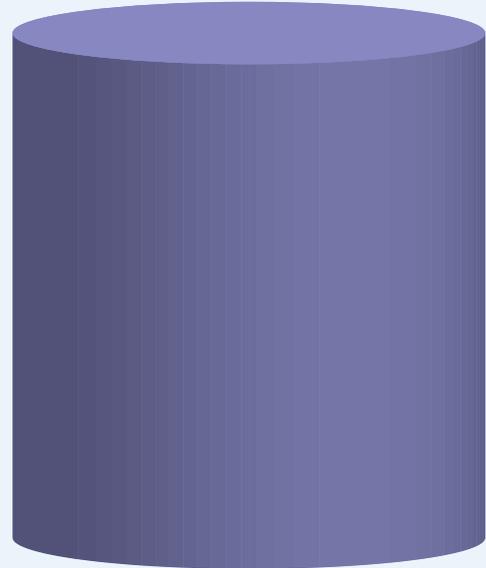
Market Cap  
₹12,09,370 Mn

P/E Ratio



**49.23**

HP Adhesives Ltd.



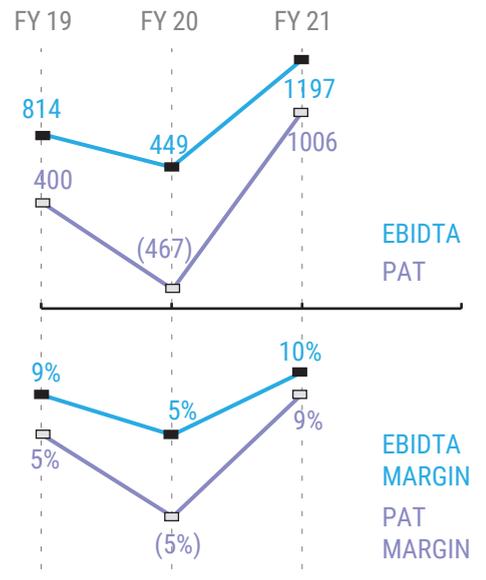
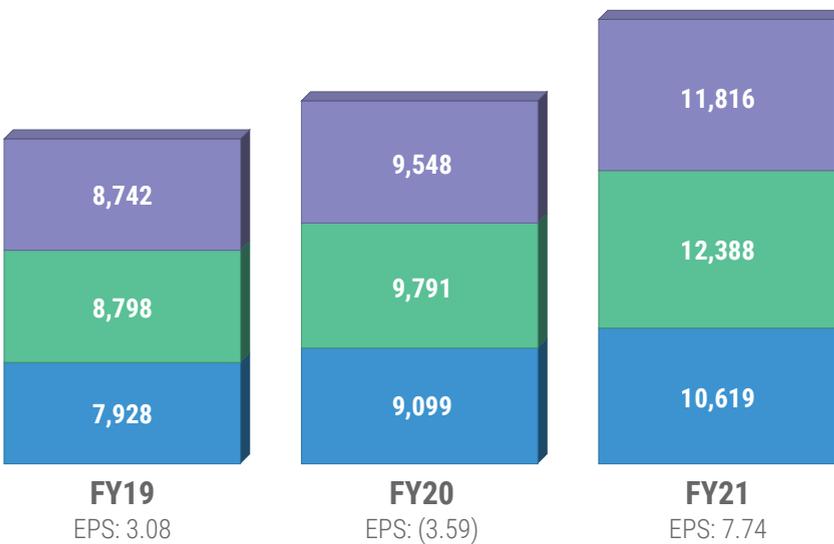
**89.90**

Pidilite Industries Ltd.

Market Cap data of listed securities as on Dec 13, 2021

## Financial Snapshot (in lakhs)

- Revenue
- Total Income
- Total Expenses





HP Adhesives Limited

# Business Insights



## Competitive Strengths

- Consistently growing company with established brand presence.
- Wide Product Portfolio and multiple SKUs.
- Focusing on multiple end-user industries.
- Extensive distribution network across India catering to customers.
- Established presence in International markets.
- Synergy of young and experienced management team with a committed employee base.
- Efficient manufacturing set-up with scope for expansion.
- R&D set up for constant product improvement and new product development.



## Business Strategy

- Continue to introduce new product categories.
- Further expand the distribution network across India and globally.
- Further strengthen brand image.
- Expansion of manufacturing facility.
- Increasing the size of the field staff will help secondary penetration.
- Enhancing demand by incentivizing the product end-user i.e., applier.
- Continue to drive business based on people-centric policies and practices.



## Risks

- A significant portion of company's domestic sales are derived from the western zone and any adverse developments in this market could adversely affect their business.
- The company had negative cash flows in the past and it is possible that they may experience negative cash flows in the future.

## Promoters and Management Details

Mrs. Anjana Haresh Motwani - Executive Director & Chairperson

Mr. Karan Haresh Motwani - Managing Director