



14th May, 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.
Scrip ID - HPAL

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

Sub : Outcome of Board Meeting held on May 14, 2024.

Ref : Regulation 33 read with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam,

This is to inform that the Board of Directors of the Company at their meeting held today, i.e., on May 14, 2024, which commenced at 03:30 p.m. and concluded at 6:45 p.m., *inter alia*, considered and:

1. approved the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2024. A copy of the said Financial Results along with the Audit Report of the Statutory Auditors thereon is enclosed herewith. Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirements), 2015 (as amended from time to time), we hereby confirm that the Statutory Auditors of the Company, M/s Priya Choudhary & Associates LLP, Chartered Accountants (Firm Registration No. 011506C/C400307) have issued the Audit Report with unmodified opinion on the aforesaid Audited Financial Results.
2. recommended a dividend of ₹ 0.30/- (15% on Face Value) per equity share of ₹ 2/- each for the year ended March 31, 2024, subject to the approval of shareholders at the ensuing Annual General Meeting (AGM) of the Company which shall be paid to the shareholders within 30 days of declaration.

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

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Registered Office: 11, Unique House, Chakala, Andheri (East), Mumbai 400099, India
CIN: L24304MH2019PLC325019

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We shall inform you in due course, the date on which the Company will hold its Annual General Meeting for the financial year ended March 31, 2024, and record date for the purpose of the Dividend, if approved by the shareholders.

This information is also being uploaded on the website of the Company i.e. www.hpadhesives.com under the Investor relations section.

You are requested to take the above information on record.

Thanking you,

Yours Truly,
For HP Adhesives Limited

Jyoti Chawda
Company Secretary

Encl.: As above

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Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To
The Board of Directors
HP Adhesives Limited**

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of HP Adhesives Limited (the "Company") for the quarter ended March 31, 2024 and for the year ended March 31, 2024 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2024 and for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to Liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.



- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations. Our report on the Statement is not modified in respect of this matter.

For Priya Choudhary & Associates LLP

Chartered Accountants
FRN: 011506C/C400307

Vaibhav
Choudhary

Digitally signed by Vaibhav Choudhary
DN: cn=Vaibhav Choudhary, o=CA, ou=Personal, email=3107.
3.1.4.01+6665234144446409056624c.
63b28821a4927357e18a441f18b978b7,
serialNumber=117001, cn=Vaibhav,
emailNumber=6287666636827388a4f1f3
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6c2b, ou=Vaibhav Choudhary
Date: 2024.05.14 18:33:02 +05'30'

VAIBHAV CHOUDHARY

(Partner)

M. No.: 407543

Place: Bhilwara (Raj.)

Date: 14/05/2024

UDIN: 24407543BKBLWY9067



STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2024

(₹ in lakhs unless otherwise stated)

S. No.	Particulars	Quarter Ended			Year Ended	
		31st March, 2024 (Refer Note 7)	31st Dec, 2023 (Unaudited)	31st March, 2023 (Refer Note 7)	31st March, 2024 (Audited)	31st March, 2023 (Audited)
1	INCOME					
	Revenue from operations	5,934.57	5,474.97	5,786.40	23,601.78	23,299.60
	Other income	84.13	62.23	58.61	325.91	293.47
	Total Income	6,018.70	5,537.20	5,845.01	23,927.69	23,593.06
2	EXPENSES					
	Cost of Material Consumed	2,645.20	2,788.16	3,173.19	11,766.00	14,209.46
	Purchases of stock-in-trade	880.05	705.59	1,032.21	3,231.54	2,901.74
	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	(19.38)	(292.72)	(446.96)	(184.71)	(285.70)
	Employee benefits expenses	746.37	737.28	613.78	2,854.83	2,194.14
	Other expenses	796.70	689.60	711.74	2,853.48	2,379.74
	Finance costs	56.28	87.59	42.74	187.95	229.28
	Depreciation and amortisation expense	107.69	110.79	87.73	429.35	323.50
	Total Expenses	5,212.91	4,826.29	5,214.42	21,138.44	21,952.16
3	Profit / (Loss) before Exceptional items and tax for the period/year (1-2)	805.79	710.91	630.58	2,789.26	1,640.90
4	Exceptional items	-	-	(3.42)	22.40	(137.54)
5	Profit / (Loss) before tax (PBT) for the year/period (3+4)	805.79	710.91	627.17	2,811.66	1,503.36
	Tax expense					
	Current tax (Net)	(224.28)	(175.96)	(159.49)	(716.10)	(359.94)
	Deferred tax	(20.82)	(14.43)	(73.41)	(38.74)	(77.34)
	Income Tax Excess/(Short) Provision of previous year (not annualised for quarters)	-	-	(7.10)	-	19.73
6	Total Tax Expense	(245.10)	(190.38)	(240.00)	(754.84)	(417.55)
7	Profit after Tax (PAT) for the period/year (5-6)	560.70	520.52	387.17	2,056.81	1,085.81
8	Other comprehensive income					
	A Items that will not be reclassified to profit or loss account					
	(i) Re-measurement gains / (losses) on defined benefit plans	(9.67)	5.00	(16.93)	4.40	12.14
	(ii) Income tax relating to items that will not be reclassified to profit or loss	2.43	(1.26)	4.26	(1.11)	(3.05)
	B Items that will be reclassified to Profit or loss account					
	Other comprehensive income for the year, net of tax (A+B)	(7.24)	3.74	(12.67)	3.29	9.08
	Total comprehensive income for the year (7+8)	553.46	524.27	374.50	2,060.10	1,094.89
9	Paid up Equity Share Capital (Face Value of ₹ 2/- per equity share)	1,837.49	1,837.49	1,837.49	1,837.49	1,837.49
10	Other Equity for the year				15,051.43	12,991.33
11	Earnings per Equity share (Face value ₹ 2/- per equity share) (not annualised for quarters)					
	(a) Basic in ₹	0.61	0.57	0.42	2.24	1.18
	(b) Diluted in ₹	0.61	0.57	0.42	2.24	1.18

See the accompanying notes to the financial results

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AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakh unless otherwise stated)

Particulars	As at 31st March, 2024	As at 31st March, 2023
ASSETS		
Non-current assets		
Property, Plant and Equipment	4,951.94	3,509.73
Capital work-in-progress	1,620.70	1,725.54
Right of Use Assets	224.62	353.94
Other Intangible Assets	19.47	11.59
Financial Assets		
Investments	-	-
Other Financial Assets	486.83	2,941.10
Deferred Tax Asset (net)	12.75	51.49
Other Non-Current Assets	208.88	204.24
Total Non-Current Assets	7,525.19	8,797.62
Current Assets		
Inventories	4,768.99	4,486.05
Financial Assets		
Investments	1,819.90	-
Trade Receivables	3,648.02	3,725.44
Cash and Bank Balances	77.91	38.23
Bank balances other than cash and cash equivalents	831.98	101.32
Loans	106.31	114.60
Current Tax Assets (net)	-	6.81
Other Current Assets	1,002.31	1,195.20
Total Current Assets	12,255.42	9,667.66
TOTAL ASSETS	19,780.61	18,465.28
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	1,837.49	1,837.49
Other Equity	15,051.43	12,991.33
Total Equity	16,888.93	14,828.83
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	147.23	264.00
Borrowings	15.16	265.84
Provisions	69.04	91.72
Total Non-Current Liabilities	231.43	621.56
Current Liabilities		
Financial Liabilities		
Lease Liabilities	116.77	126.25
Borrowings	37.28	196.72
Trade Payables		
(i) Total outstanding dues of Micro and Small Enterprises	393.75	761.56
(ii) Total outstanding dues of creditors other than Micro and Small Enterprises	1,209.44	1,262.71
Other Financial Liabilities	493.93	356.30
Other Current Liabilities	138.71	152.70
Provisions	125.15	45.75
Current Tax Liabilities (Net)	145.21	112.91
Total Current Liabilities	2,660.25	3,014.90
TOTAL LIABILITIES	2,891.69	3,636.46
TOTAL EQUITY AND LIABILITIES	19,780.61	18,465.28

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STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in lakhs unless otherwise stated)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Cash flow from Operating activities		
Net profit / (loss) before taxation	2,811.66	1,503.36
Adjustments for:		
Exceptional Items	(22.40)	137.54
Foreign Currency Exchange Rate Fluctuation (net)	(70.88)	(35.13)
Depreciation and Amortization expenses	300.04	188.64
Amortisation of Lease Deposit	129.31	134.86
Finance cost	187.95	229.28
Interest income	(163.06)	(218.43)
Provision for expected credit loss	102.86	50.16
Fair Value (gain)/loss on Investment in Mutual Funds	(64.09)	-
Operating profit before working capital changes	3,211.38	1,990.28
Changes in working capital		
(Decrease)/ increase in trade payables	(385.64)	(1,101.71)
Decrease/ (increase) in inventories	(282.94)	(369.17)
Decrease/ (increase) in trade receivables	10.00	(552.88)
(Decrease)/ increase in other current financial liabilities	137.63	40.34
(Decrease)/ increase in other current liabilities	(13.98)	(112.27)
(Decrease)/ increase in provisions	89.02	22.83
Decrease/ (increase) in loans	8.30	4.44
Decrease/ (increase) in other current and non current non financial assets	195.06	42.11
Cash generated used in operations	2,968.83	(36.03)
Taxes Paid (Net)	(712.81)	(331.13)
Net cash flows generated in operating activities	2,256.01	(367.17)
Exceptional Items	22.40	(137.54)
Net Cash Flows from Operating Activities after Exceptional Items (A)	2,278.41	(504.70)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(1,645.28)	(1,600.66)
Investments in Bank and fixed deposits (more than three months)	1,723.61	2,136.62
Investments in Liquid Mutual Funds	(1,755.81)	-
Interest received	163.06	218.43
Net cash flow from investing activities (B)	(1,514.42)	754.39
Cash flow from Financing activities		
Proceeds from issue of equity shares	-	-
Repayment of Lease Liabilities	(126.25)	(115.29)
Proceeds from long-term borrowings	(376.63)	(388.42)
Movement in short-term borrowings from banks (net)	(33.48)	(499.41)
Finance Cost	(187.95)	(229.28)
Net Cash Flows from Financing Activities (C)	(724.31)	(1,232.41)
Net increase in cash and cash equivalents (A+B+C)	39.69	(982.73)
Cash and cash equivalents at the beginning of the year	38.23	1,020.96
Cash and cash equivalents at the end of the year	77.91	38.23
Cash and cash equivalents comprise		
On current accounts	60.12	24.85
Cash on hand	17.79	13.38
Total cash and cash equivalents at end of the year (Note 5)	77.91	38.23

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Notes to the Standalone financial results for the quarter ended March 31, 2024

1. The above standalone financial results of the company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 14, 2024. Management has exercised necessary due diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs. The above results as at and for the year ended March 31, 2024 have been audited by the statutory auditors of the Company and have issued an unmodified opinion.
2. This statement has been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter and other recognised accounting practices and policies to the extent applicable subject to accounting estimates applied since Quarter June 30, 2023 results related to Expected Credit Loss provided prospectively having impact on last quarter & current quarter period profits and is expected to have an effect in future periods also for which estimation is impracticable.
3. The Company operates primarily in adhesives & sealants segment, hence there is only one reportable business segment viz. "Adhesives & Sealants Products". Accordingly no separate disclosures have been made for segment reporting under Ind AS 108.
4. During the year ended March 31, 2022 company has completed the Initial Public Offering (IPO) and details of utilization of IPO Proceeds of Rs. 9669.12 Lakhs (adjusted with final share of company's share issue expenses) till the end of relevant quarter are as follows:

(INR Lakhs)

Objects of the Issue	IPO Proceeds (Net of IPO Expenses)	Utilisation upto March 31st, 2024	Un-utilised as on March 31st, 2024 (*)
Funding working capital requirements of the Company	5,400.00	5,400.00	-
Funding Capital expenditure(CAPEX)	2,550.86	1,606.30	944.56
General corporate Purposes (As revised upon finalisation of IPO Expenses)	1,718.26	1,718.26	-
Total	9,669.12	8,724.56	944.56

(*) Balance of IPO proceeds as at March 31, 2024 are kept in fixed deposits and bank balances are shown under Other bank balances.

5. The above Cash flow has been prepared under the Indirect method set out in Indian Accounting Standard Ind AS-7 on statement of Cash Flow.
6. Previous periods/quarter figures have been regrouped/reclassified wherever necessary.

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7. The Statement includes the results for the quarter ended March 31, 2024 & March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31 and the published unaudited year-to-date figures up to the third quarter of the current financial year.
8. At the Annual General Meeting (AGM) of the members of the Company held on September 29, 2023, the shareholders of the Company approved sub-division of one (1) equity share having face value of Rs. 10/- (Rupees Ten only) fully into five (5) equity shares having face value of Rs. 2/- (Rupees Two only) each. Subsequent to quarter ended Sept 30, 2023, this sub-division has come into effect from November 09, 2023 (record date). However, the basic & diluted Earnings Per Share (EPS) of the current quarter and all comparative periods presented have been re-calculated based on number of outstanding shares in respective periods, as increased by sub-division of shares.
9. The Board of Directors have recommended a dividend of Rs. 0.30/- (15% on Face Value) per equity share of Rs. 2/- Face value each for the financial year ended March 31, 2024. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
10. The results for the quarter ended March 31, 2024 are available on the Bombay Stock Exchange of India Limited website (URL: <https://www.bseindia.com/corporates>) and the National Stock Exchange of India Limited website (URL: <https://www.nseindia.com/corporates>).

For and on behalf of the Board of Directors

HP Adhesives Limited

Place: Mumbai

Dated: 14th May, 2024

Mrs. Anjana Haresh Motwani
Chairperson & Executive Director
DIN: 02650184

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