

**PRIYA CHOUDHARY & ASSOCIATES. LLP**  
Chartered Accountants

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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**

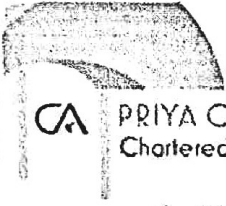
1. We have reviewed the accompanying statement of unaudited standalone financial results of HP Adhesives Limited (the "Company") for the quarter ended June 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulation"), as amended read with SEBI Circular No. CIR/CIR/CFD/CMD1/44/2019. Dated 29<sup>th</sup> March, 2019 (the "Circular") and applicable amendments thereto.
2. This Preparation of the Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the Circular No CIR/CFD/CMD1/44/2019 dated March 29, 2019 (the "Circular") issued by Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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(Priya Choudhary & Associates (Partnership firm) converted to Priya Choudhary & Associates LLP (Limited Liability Partnership with LLP identification No. AAT-8246 wef Sept.14, 2020)

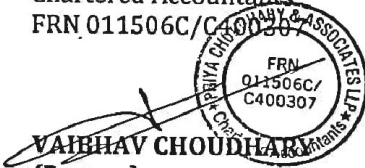
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6. We draw attention to Note 2 of the Statement which describes the change in estimate related to Expected Credit Loss provided prospectively by the company having impact on current periods profits or is expected to have a effect in future periods for which estimation is impracticable. Our conclusion is not modified in respect of said matter.
7. The comparative Ind AS financial information of the Company for the immediately preceding quarter & year to date period ended March 31, 2022 were audited by us while we have not audited or reviewed the comparative financial information for the corresponding period ended June 30, 2021, included in the Statement, which has been presented solely based on the information compiled by the Management and has been approved by the Board of Directors.

**For Priya Choudhary & Associates LLP**  
Chartered Accountants  
FRN 011506C/C400307



**VAIBHAV CHOUDHARY**  
(Partner)  
M No: 407543  
Place: Bhilwara(Raj.)  
Date: 10/08/2022  
UDIN: 22407543AOTKFX1372



**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022**

*(₹ in Lakh unless otherwise stated)*

S. No.	Particulars	Quarter Ended			Year Ended
		30.06.2022 (Unaudited)	31.03.2022 (Audited)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
<b>1</b>	<b>INCOME</b>				
	Revenue from operations	6,164.35	5,042.09	2,392.38	16,459.89
	Other income	114.28	40.48	(80.04)	282.80
	<b>Total Income</b>	<b>6,278.63</b>	<b>5,082.58</b>	<b>2,312.34</b>	<b>16,742.69</b>
<b>2</b>	<b>EXPENSES</b>				
	Cost of Material Consumed	4,756.26	3,292.02	575.71	9,495.96
	Purchases of stock-in-trade	889.12	729.59	440.42	2,237.80
	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	(746.29)	(141.94)	606.41	351.85
	Employee benefits expenses	515.07	532.61	364.44	1,733.43
	Other expenses	544.89	436.62	239.75	1,510.98
	Finance costs	55.74	61.48	68.35	313.40
	Depreciation and amortisation expense	76.98	68.92	68.85	284.02
	<b>Total Expenses</b>	<b>6,091.77</b>	<b>4,979.31</b>	<b>2,363.92</b>	<b>15,927.45</b>
<b>3</b>	<b>Profit / (Loss) before Exceptional items and tax (1-2)</b>	<b>186.86</b>	<b>103.26</b>	<b>(51.59)</b>	<b>815.24</b>
<b>4</b>	Exceptional items	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before tax (PBT) for the year/period (3-4)</b>	<b>186.86</b>	<b>103.26</b>	<b>(51.59)</b>	<b>815.24</b>
<b>6</b>	<b>Tax expense</b>				
	Current tax (Net)	(45.15)	(13.98)	(11.42)	(177.74)
	Deferred tax	(4.59)	(20.07)	22.45	(43.15)
	Income Tax Excess/(Short) Provision of previous year(not annualised for quarters)	-	-	-	6.29
	<b>Total Tax Expense</b>	<b>(49.74)</b>	<b>(34.05)</b>	<b>11.02</b>	<b>(214.59)</b>
<b>7</b>	<b>Profit after Tax (PAT) for the period/year (5-6)</b>	<b>137.12</b>	<b>69.22</b>	<b>(40.56)</b>	<b>600.65</b>
<b>8</b>	<b>Other comprehensive income</b>				
	<b>A Items that will not be reclassified to profit or loss account</b>				
	(i) Re-measurement gains / (losses) on defined benefit plans	14.52	6.70	16.84	58.07
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(3.65)	(1.69)	(4.24)	(14.61)
	<b>B Items that will be reclassified to Profit or loss account</b>				
	<b>Other comprehensive income for the year, net of tax (A+B)</b>	<b>10.86</b>	<b>5.01</b>	<b>12.60</b>	<b>43.45</b>
<b>9</b>	<b>Total comprehensive income for the year (7+8)</b>	<b>147.98</b>	<b>74.23</b>	<b>(27.96)</b>	<b>644.10</b>
<b>10</b>	<b>Paid up Equity Share Capital (Face Value of ₹ 10/- per equity share)</b>	<b>1,837.49</b>	<b>1,837.49</b>	<b>1,423.49</b>	<b>1,837.49</b>
<b>11</b>	<b>Other Equity for the year</b>				<b>11,896.44</b>
<b>12</b>	<b>Earning per Equity share (Face value ₹ 10/- per equity share) (not annualised for quarters)</b>				
	(a) Basic in ₹	0.75	0.38	(0.28)	3.95
	(b) Diluted in ₹	0.75	0.38	(0.28)	3.95

See Accompanying Notes to Financial Statements



*M. Navani*



**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



**Notes to the statement of Unaudited standalone financial results for quarter ended June 30, 2022**

1. The above financial results for the quarter ended June, 2022 along with comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on August 10, 2022. The financial results and other financial information for quarter ended June 30, 2022 have not been audited subject to review only and for comparative period ending June 30, 2021 have not been audited or reviewed by our statutory auditors. However, the 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.
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 change in estimates related to Expected Credit Loss provided prospectively having impact on current period profits or is expected to have an effect in future periods 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. (a) The Company has completed the Initial Public Offering (IPO) of 45,97,200 Equity Shares of Face Value of Rs 10 each for cash at a price of Rs 274/- per Equity Share aggregating to Rs 12,596.32 Lakhs comprising a Fresh Issue of 41,40,000 Equity Shares aggregating to Rs 11,343.46 Lakhs and an offer for sale (OFS) of 4,57,200 Equity shares Mrs. Anjana Hareesh Motwani, Promoter aggregating to Rs 1,252.73 Lakhs. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on December 27, 2021. Utilisation of IPO proceeds till the end of the relevant quarter as below:

(in INR lakhs)

Utilisation of IPO Proceeds (Net of IPO Expenses) as per Prospectus are as follows:	Planned as per Prospectus	Utilisation upto June 30, 2022	Balance as of June 30, 2022 (*)
Funding working capital requirements of the Company	5,400.00	2,894.78	2,505.22
Funding Capital expenditure(CAPEX)	2,550.86	462.49	2,088.37
General corporate Purposes (As revised upon finalisation of IPO Expenses)	1,718.26	1,718.26	-
<b>Total</b>	<b>9,669.12</b>	<b>5,075.54</b>	<b>4,593.58</b>

(\*) Unutilised Balance of IPO proceeds as at June 30, 2022 are kept in fixed deposits and bank balances.

5. The Company has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, assessment of this impact due to the pandemic is a continuing process given the uncertainties associated with its nature and duration. Despite reduced cases of COVID-19 being reported in the country, there has been massive disruptions in global supply chain. Accordingly, the Company will continue to monitor its impact and any material changes to the future economic conditions.

*(Signature)*



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6. The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards provident fund and gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified. The Company has taken professional opinion in this regard and will ensure that it makes adequate provisions to remain compliant with all requirements.
7. The figures of the quarter ended March 31, 2022 is the balancing figures between audited figures in respect of the full financial year FY22 and the unaudited published year to date figures upto third quarter of the same financial year FY22 which were subject to limited review by the auditors.
8. Previous period numbers have been regrouped wherever applicable, to the extent possible, to confirm to the current period presentation.
9. The results for the quarter ended June 30, 2022 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

of HP Adhesives Limited



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

Place: Mumbai

Dated: 10<sup>th</sup> August, 2022

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