

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
HP Adhesives Limited**

1. We have reviewed the accompanying statement of unaudited financial results of HP Adhesives Limited (the "Company") for the quarter ended June 30, 2023 (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, as amended (the "Listing Regulations").
2. The Company's management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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 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 resulting in increase of after tax profit by Rs.10.93 Lakh and is also excepted to have a effect in future periods for which estimation is impracticable. Our conclusion is not modified in respect of said matter.

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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.

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

Vaibhav  
Choudhary

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**VAIBHAV CHOUDHARY**  
(Partner)  
M No: 407543  
Place: Bhilwara (Raj.)  
Date: 10/08/2023  
UDIN: 23407543BGXISX6951



**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023**

(₹ in lakhs unless otherwise stated)

S. No.	Particulars	Quarter Ended			Year Ended
		30th June, 2023 (Unaudited)	31st March, 2023 (Unaudited)	30th June, 2022 (Unaudited)	31st March, 2023 (Audited)
1	<b>INCOME</b>				
	Revenue from operations	5,932.30	5,786.40	6,164.35	23,299.60
	Other income	98.36	58.61	114.28	293.47
	<b>Total Income</b>	<b>6,030.66</b>	<b>5,845.01</b>	<b>6,278.63</b>	<b>23,593.06</b>
2	<b>EXPENSES</b>				
	Cost of Material Consumed	3,106.38	3,173.19	4,756.26	14,209.46
	Purchases of stock-in-trade	808.73	1,032.21	889.12	2,901.74
	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	136.94	(446.96)	(746.29)	(285.70)
	Employee benefits expenses	656.91	613.78	515.07	2,194.14
	Other expenses	609.65	711.74	544.89	2,379.74
	Finance costs	22.94	42.74	55.74	229.28
	Depreciation and amortisation expense	103.30	87.73	76.98	323.50
	<b>Total Expenses</b>	<b>5,444.84</b>	<b>5,214.42</b>	<b>6,091.77</b>	<b>21,952.16</b>
3	<b>Profit / (Loss) before Exceptional items and tax for period/year (1-4)</b>	<b>585.82</b>	<b>630.58</b>	<b>186.86</b>	<b>1,640.90</b>
4	Exceptional items		(3.42)		(137.54)
5	<b>Profit / (Loss) before tax (PBT) for the year/period (3-4)</b>	<b>585.82</b>	<b>627.17</b>	<b>186.86</b>	<b>1,503.36</b>
6	Tax expense				
	Current tax (Net)	(135.05)	(159.49)	(45.15)	(359.94)
	Deferred tax	0.55	(73.41)	(4.59)	(77.34)
	Income Tax Excess/(Short) Provision of previous year(not annualised for quarters)		(7.10)		19.73
	<b>Total Tax Expense</b>	<b>(134.50)</b>	<b>(240.00)</b>	<b>(49.74)</b>	<b>(417.55)</b>
7	<b>Profit after Tax (PAT) for the period/year (5-6)</b>	<b>451.32</b>	<b>387.17</b>	<b>137.12</b>	<b>1,085.81</b>
8	<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	3.00	(16.93)	14.52	12.14
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.76)	4.26	(3.65)	(3.05)
	<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>2.24</b>	<b>(12.67)</b>	<b>10.86</b>	<b>9.08</b>
	<b>Total comprehensive income for the year (7+8)</b>	<b>453.56</b>	<b>374.50</b>	<b>147.98</b>	<b>1,094.89</b>
9	<b>Paid up Equity Share Capital (Face Value of ₹ 10/- per equity share)</b>	1,837.49	1,837.49	1,837.49	1,837.49
10	<b>Other Equity for the year</b>				12,991.33
11	<b>Earning per Equity share (Face value ₹ 10/- per equity share) not annualised for quarters</b>				
	(a) Basic in ₹	2.46	2.11	0.75	5.91
	(b) Diluted in ₹	2.46	2.11	0.75	5.91

See the accompanying notes to the financial results

**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 Unaudited standalone financial results for quarter ended June 30, 2023

1. The above unaudited 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 August 10, 2023. The financial results and other financial information for quarter ended June 30, 2022 have not been audited 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 profit after tax to the tune of Rs. 10.93 lacs and is also 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. 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)

Utilisation of IPO Proceeds (Net of IPO Expenses ) as per Prospectus are as follows:	Planned as per Prospectus	Utilisation upto June 30, 2023	Balance as of June 30, 2023 (*)
Funding working capital requirements of the	5,400.00	4,236.12	1,163.88
Funding Capital expenditure(CAPEX)	2,550.86	1,025.83	1,525.03
General corporate Purposes (As revised	1,718.26	1,718.26	-
<b>Total</b>	<b>9,669.12</b>	<b>6,980.21</b>	<b>2,688.91</b>
<i>(*) Unutilized Balance of IPO proceeds as at June 30, 2023 are kept in fixed deposits and bank balances.</i>			

5. Previous periods/quarter figures have been regrouped/reclassified wherever necessary.

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6. The results for the quarter ended June 30, 2023 are available on the Bombay Stock Exchange of India Limited website (URL: <https://www.bseindia.com>) and the National Stock Exchange of India Limited website (URL: <https://www.nseindia.com>).

**For and on behalf of the Board of Directors**

**of HP Adhesives Limited**

KARAN  
HARESH  
MOTWANI

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**Place: Mumbai**  
**Dated: 10<sup>th</sup> August, 2023**

**Mr. Karan Hareesh Motwani**  
**Managing Director**  
**DIN: 02650089**

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