



11th November, 2022

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 November 11, 2022.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at its meeting held today i.e. November 11, 2022, *inter alia* considered, approved and took on record the Unaudited financial results along with the Limited Review Reports of Statutory Auditor thereon for the quarter and half year ended September 30, 2022.

Please find enclosed the Unaudited financial results for the quarter and half year ended September 30, 2022 and the Limited Review Report thereon.

The financial results are also being made available on the Company's website at www.hpadhesives.com.

The meeting commenced at 05:10 p.m. and concluded at 08:15 p.m.

Kindly take the above information on record.

Thanking you,

Yours Truly,
For HP Adhesives Limited

JYOTI
NIKUNJ
CHAWDA

Digitally signed
by JYOTI NIKUNJ
CHAWDA
Date: 2022.11.11
20:24:11 +05'30'

Jyoti Chawda
Company Secretary

Encl. : As above

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

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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

**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 September 30, 2022 and year to date from April 01, 2022 to September 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, 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 point No 6 of Notes to the Statement which describes exceptional item & other estimates. Our conclusion is not modified in respect of said.

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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

Digitally signed by Vaibhav
Choudhary
Date: 2022.11.11 19:14:15 +05'30'

VAIBHAV CHOUDHARY
(Partner)
M No: 407543
Place: Bhilwara (Raj.)
Date: 11/11/2022
UDIN: 22407543BCWMIZ8960



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

(₹ in Lakhs unless otherwise stated)

S. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30th Sept, 2022 (Unaudited)	30th June, 2022 (Unaudited)	30th Sept, 2021 (Unaudited)	30th Sept, 2022 (Unaudited)	30th Sept, 2021 (Audited)	31st March, 2022 (Audited)
1	INCOME						
	Revenue from operations	5,832.22	6,164.35	4,659.20	11,996.57	7,051.58	16,459.89
	Other income	80.88	114.28	301.69	195.16	221.65	282.80
	Total Income	5,913.10	6,278.63	4,960.89	12,191.73	7,273.23	16,742.69
2	EXPENSES						
	Cost of Material Consumed	3,826.33	4,756.26	2,819.62	8,582.60	3,395.33	9,495.96
	Purchases of stock-in-trade	584.49	889.12	501.45	1,473.61	941.87	2,237.80
	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	(115.13)	(746.29)	187.65	(861.42)	794.07	351.85
	Employee benefits expenses	538.51	515.07	410.32	1,053.58	774.76	1,733.43
	Other expenses	575.07	544.89	393.08	1,119.96	632.83	1,510.98
	Finance costs	70.72	55.74	104.06	126.46	172.41	313.40
	Depreciation and amortisation expense	78.21	76.98	72.15	155.19	141.00	284.02
	Total Expenses	5,558.20	6,091.77	4,488.33	11,649.97	6,852.25	15,927.45
3	Profit / (Loss) before Exceptional items and tax for the period/year (1-2)	354.89	186.86	472.56	541.75	420.98	815.24
4	Exceptional items	(63.79)	-	-	(63.79)	-	-
5	Profit / (Loss) before tax (PBT) for the year/period (3-4)	291.10	186.86	472.56	477.96	420.98	815.24
6	Tax expense						
	Current tax (Net)	(58.75)	(45.15)	(65.62)	(103.90)	(77.04)	(177.74)
	Deferred tax	(8.02)	(4.59)	(56.14)	(12.61)	(33.69)	(43.15)
	Income Tax Excess/(Short) Provision of previous year (not annualised for quarters)	26.84	-	-	26.84	-	6.29
	Total Tax Expense	(39.93)	(49.74)	(121.75)	(89.67)	(110.73)	(214.59)
7	Profit after Tax (PAT) for the period/year (5-6)	251.17	137.12	350.81	388.29	310.24	600.65
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	4.86	14.52	16.84	19.38	33.68	58.07
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.22)	(3.65)	(4.24)	(4.88)	(8.48)	(14.61)
	B) Items that will be reclassified to Profit or loss account	-	-	-	-	-	-
	Other comprehensive income for the year, net of tax (A+B)	3.64	10.86	12.60	14.50	25.21	43.45
	Total comprehensive income for the year (7+8)	254.81	147.98	363.41	402.79	335.45	644.10
9	Paid up Equity Share Capital (Face Value of ₹ 10/- per equity share)	1,837.49	1,837.49	1,423.49	1,837.49	1,423.49	1,837.49
10	Other Equity for the year	-	-	-	-	-	11,896.44
11	Earning per Equity share (Face value ₹ 10/- per equity share) not annualised						
	(a) Basic in ₹	1.37	0.75	2.46	2.11	2.22	3.95
	(b) Diluted in ₹	1.37	0.75	2.46	2.11	2.22	3.95

See the accompanying notes to the financial results



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UNAUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

(₹ in lakhs)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
ASSETS		
Non-current assets		
Property, Plant and Equipment	2,301.75	2,063.68
Capital work-in-progress	2,215.53	1,754.49
Right of Use Assets	420.69	488.80
Other Intangible Assets	14.12	16.66
Financial Assets		
Other Financial Assets	-	1,432.00
Deferred Tax Asset (net)	116.22	128.83
Other Non-Current Assets	266.05	223.93
Total Non-Current Assets	5,334.37	6,108.40
Current Assets		
Inventories	5,252.87	4,116.88
Financial Assets		
Trade Receivables	3,878.31	3,205.16
Cash and Bank Balances	3,785.54	4,768.00
Loans	113.58	119.04
Current Tax Assets (net)	-	-
Other Current Assets	1,503.78	1,224.42
Total Current Assets	14,534.08	13,433.50
TOTAL ASSETS	19,868.45	19,541.90
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	1,837.49	1,837.49
Other Equity	12,299.14	11,896.44
Total Equity	14,136.63	13,733.93
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	326.09	390.25
Borrowings	347.25	429.08
Other Non Current Liabilities	-	-
Provisions	87.55	91.61
Total Non-Current Liabilities	760.89	910.95
Current Liabilities		
Financial Liabilities		
Lease Liabilities	122.52	115.29
Borrowings	2,395.91	921.31
Trade Payables		
(i) Total outstanding dues of Micro and Small Enterprises	433.95	704.61
(ii) Total outstanding dues of creditors other than Micro and Small Enterprises	1,439.45	2,461.52
Other Financial Liabilities	353.72	293.39
Other Current Liabilities	110.31	264.97
Provisions	82.73	96.08
Current Tax Liabilities (Net)	32.33	39.86
Total Current Liabilities	4,970.93	4,897.02
TOTAL LIABILITIES	5,731.82	5,807.97
TOTAL EQUITY AND LIABILITIES	19,868.45	19,541.90

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STATEMENT OF UNAUDITED CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022

(₹ in lakhs)

Particulars	For Half-Year Ended 30th Sept, 2022	For Half-Year Ended 30th Sept, 2021
Cash flow from Operating activities		
Net profit / (loss) before taxation and exceptional items	541.75	420.98
Adjustments for:		
Foreign Currency Exchange Rate Fluctuation (net)	(13.71)	-
Depreciation and amortization expenses	155.19	141.00
Finance cost	126.46	172.41
Interest income	(114.46)	-
Provision/Allowances/Write off/(reversal) for Trade Receivables	(44.41)	-
Operating profit before working capital changes	650.82	734.38
Changes in working capital		
(Decrease)/ increase in trade payables	(1,285.87)	26.13
Decrease/ (increase) in inventories	(1,135.99)	(129.83)
Decrease/ (increase) in trade receivables	(621.89)	(594.18)
(Decrease)/ increase in other current financial liabilities	60.33	(536.19)
(Decrease)/ increase in other current liabilities	(154.66)	15.29
(Decrease)/ increase in provisions	(17.41)	(40.58)
Decrease/ (increase) in loans granted	5.46	7.95
Decrease/ (increase) in other current and non current non financial assets	(321.48)	(149.65)
Other Equity Adjustments	-	(0.24)
Cash generated used in operations	(2,820.68)	(666.93)
Taxes Paid (Net of Refunds/Provisions)	(70.18)	(77.04)
Net cash flows generated in operating activities (A)	(2,890.86)	(743.97)
Exceptional Items	(63.79)	-
Net Cash Flows from Operating Activities after Exceptional Items	(2,954.65)	(743.97)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(783.64)	(1,000.67)
Proceeds from sale/ disposal of property, plant and equipment	-	155.27
Investments in bank deposits (original maturity of more than three months)	1,432.00	-
Interest received	114.46	-
Bank Balances not considered as cash and cash equivalents		
Fixed deposits placed	(2,908.66)	
Net cash flow from investing activities (B)	(2,145.84)	(845.40)
Cash flow from Financing activities		
Proceeds from issue of equity shares on Rights basis	-	2,154.98
Proceeds from long-term borrowings	(81.83)	(48.93)
Movement in short-term borrowings from banks (net)	1,474.60	(359.07)
Finance Cost	(126.46)	(172.41)
Repayment towards lease liabilities	(56.93)	
Net Cash Flows from Financing Activities	1,209.37	1,574.57
Net increase in cash and cash equivalents (A+B+C)	(3,891.12)	(14.80)
Cash and cash equivalents at the beginning of the year	4,768.00	83.10
Cash and cash equivalents at the end of the year	876.88	68.30
Cash and cash equivalents comprise:		
Balances with banks	-	
On current accounts	8.69	26.94
Fixed deposits with maturity of less than 3 months	853.50	21.87
Cash on hand	14.69	19.50
Total cash and cash equivalents at end of the year	876.88	68.30

Signature



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Notes to the Unaudited standalone financial results for the quarter and half year ended Sept 30, 2022

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 November 11, 2022. 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. The statutory auditors have carried out a "Limited Review" of the above financial results for the quarter and six months ended September 30, 2022 and have issued an unmodified opinion.
3. 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 applied since Quarter June 30, 2022 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.
4. 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.
5. During the previous year ended March 31, 2022 company has completed the Initial Public Offering (IPO) and details of utilization of IPO Proceeds from Fresh Issue of shares of Rs. 9669.12 Lakhs (adjusted with final share of company's share issue expenses) till the end of relevant quarter are as follows:

Objects of the Issue	IPO Proceeds (Net of IPO Expenses)	Utilisation upto Sept 30, 2022	Un-utilised as on Sept 30, 2022 (*)
Funding working capital requirements of the Company	5,400.00	3,581.72	1,818.28
Funding Capital expenditure(CAPEX)	2,550.86	661.57	1,889.29
General corporate Purposes (As revised upon finalisation of IPO Expenses)	1,718.26	1,718.26	-
Total	9,669.12	5,961.54	3,707.58

(*) Balance of IPO proceeds as at Sept 30, 2022 were temporarily retained in monitoring account and fixed deposits with banks.

6. (a) Exceptional Item includes ₹ 63.79 Lakh as loss of stock lying in factory due to event of heavy rain for which application of Insurance claim is under process, value of stock loss (adequately insured) estimated by management has been provided for during the quarter on a conservative basis and upon approval of insurance claim from the Insurance company, the same will be reversed as appropriate.



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(b) Company has applied for MVAT Amnesty scheme (Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2022) (for VAT and CST liability pertaining to the period FY14-15 and FY15-16) for which liability is estimated to be finalized subsequently after receipt of final assessment order. The taxes amounting to ₹ 15.87 Lakhs was earlier deposited under protest in the year FY18-19 (pending under appeal) & the tax for ₹ 46.65 Lakhs has been further deposited in the current quarter under MVAT Amnesty scheme. The Total Tax of ₹ 62.52 Lakhs is shown under Non-current Assets (payment under protest) during the reporting quarter ended September 30, 2022, effect on profitability for the same is not considered here.

7. Previous periods/quarter figures have been regrouped/reclassified wherever necessary.
8. The results for the quarter ended September 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

Mumbai
Dated: 11th November, 2022



Karantwani
Mr. Karan Haresh Motwani
Managing Director
DIN: 02650089

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