



November 14, 2024

To,  
Listing Department  
**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051

To,  
Listing Department  
**BSE LIMITED**  
P. J. Towers,  
Dalal Street,  
Mumbai – 400 001

**Scrip Symbol: HONASA**

**Scrip Code: 544014**

**Sub: Outcome of Board Meeting pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

This is to inform you that the Board of Directors of the Company in its meeting held today i.e. November 14, 2024, inter-alia:

1. approved the Un-audited Standalone & Consolidated Financial Results of the Company for the quarter and half year ended on September 30, 2024 (Enclosed).
2. took note of the Limited Review Report of the Statutory Auditors on the Un-audited Standalone & Consolidated financial results (Enclosed).

Further, in line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Company's Code for Prevention of Insider Trading, the Trading Window for dealing in Securities of the Company shall be open after 48 hours from the declaration of the aforesaid Financial Results.

The meeting commenced at 03:00 PM and concluded at 03:45 PM.

This is for your information, records and meeting the disclosure requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully

For, **HONASA CONSUMER LIMITED**

**DHANRAJ DAGAR**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
Encl: a/a

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**Honasa Consumer Limited**

**Registered Office:** Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075  
**Corporate Office:** 10<sup>th</sup> & 11<sup>th</sup> Floor, Capital Cyberscape, Ullahwas, Sector-59, Gurugram, Haryana - 122102  
Email: [info@mamaearth.in](mailto:info@mamaearth.in); Phone: 011 - 44123544 | Website: [www.honasa.in](http://www.honasa.in)  
| CIN: L74999DL2016PLC306016 |

**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  
Honasa Consumer Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Honasa Consumer Limited (the "Company") for the quarter ended September 30, 2024 and year to date from April 01, 2024 to September 30, 2024 (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. This 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 ('the Act'), 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. 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 Act, 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 S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**  
per Rajeev Kumar  
Partner

Membership No.: 213803

UDIN: 24213803BKGWOZ6438



Place: Bengaluru

Date: November 14, 2024



**Honasa Consumer Limited**

CIN: L74999DL2016PLC306016

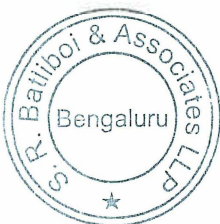
Registered office: Unit No - 404, 4<sup>th</sup> floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi - 110075, India

Website: [www.honasa.in](http://www.honasa.in); Email: [compliance@mamaearth.in](mailto:compliance@mamaearth.in); Telephone: +91 124 4071960

**Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2024**

(Amount in Rs. Million)

| Particulars  | Quarter ended         |                  |                       | Six months ended      |                       | Year ended        |
|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|-------------------|
|  | September 30,<br>2024 | June 30,<br>2024 | September 30,<br>2023 | September 30,<br>2024 | September 30,<br>2023 | March 31,<br>2024 |
|  | Unaudited             | Unaudited        | Unaudited             | Unaudited             | Unaudited             | Audited           |
| <b>Income</b>  |                       |                  |                       |                       |                       |                   |
| Revenue from operations(refer note 9)                                      | 4,174.84              | 4,983.95         | 4,601.93              | 9,158.79              | 8,863.30              | 17,643.89         |
| Other income   | 194.83                | 183.61           | 78.43                 | 378.44                | 189.17                | 481.35            |
| <b>Total income</b>  | <b>4,369.67</b>       | <b>5,167.56</b>  | <b>4,680.36</b>       | <b>9,537.23</b>       | <b>9,052.47</b>       | <b>18,125.24</b>  |
| <b>Expenses</b>  |                       |                  |                       |                       |                       |                   |
| Purchases of traded goods  | 1,700.75              | 1,683.66         | 1,346.96              | 3,384.41              | 2,864.54              | 5,530.63          |
| (Increase) in inventories of traded goods(refer note 9)                    | (374.96)              | (257.98)         | 75.31                 | (632.94)              | (179.35)              | (128.49)          |
| Employee benefits expense  | 471.51                | 447.52           | 385.64                | 919.03                | 762.76                | 1,580.18          |
| Depreciation and amortization expenses                                     | 83.52                 | 73.06            | 45.13                 | 156.58                | 92.33                 | 228.72            |
| Finance costs  | 26.63                 | 25.67            | 13.85                 | 52.30                 | 24.02                 | 71.90             |
| Other expenses(refer note 9)   | 2,673.01              | 2,729.55         | 2,439.78              | 5,402.56              | 4,746.50              | 9,361.51          |
| Change in fair value of derivative liability (refer note 5)                | -                     | -                | (102.00)              | -                     | (102.00)              | (102.00)          |
| <b>Total expenses</b>  | <b>4,580.46</b>       | <b>4,701.48</b>  | <b>4,204.67</b>       | <b>9,281.94</b>       | <b>8,208.80</b>       | <b>16,542.45</b>  |
| <b>(Loss)/Profit before tax</b>  | <b>(210.79)</b>       | <b>466.08</b>    | <b>475.69</b>         | <b>255.29</b>         | <b>843.67</b>         | <b>1,582.79</b>   |
| <b>Tax expenses</b>  |                       |                  |                       |                       |                       |                   |
| Current tax  | (37.17)               | 133.50           | 104.11                | 96.33                 | 180.70                | 352.40            |
| Deferred tax (credit)/charge   | (24.39)               | (15.28)          | (5.78)                | (39.67)               | 9.56                  | 20.73             |
| <b>Total tax expenses</b>  | <b>(61.56)</b>        | <b>118.22</b>    | <b>98.33</b>          | <b>56.66</b>          | <b>190.26</b>         | <b>373.13</b>     |
| <b>(Loss)/Profit after tax</b>   | <b>(149.23)</b>       | <b>347.86</b>    | <b>377.36</b>         | <b>198.64</b>         | <b>653.41</b>         | <b>1,209.66</b>   |
| <b>Other comprehensive (loss)/income (OCI)</b>                             |                       |                  |                       |                       |                       |                   |
| Items that will not be reclassified subsequently to profit or loss:        |                       |                  |                       |                       |                       |                   |
| Re-measurement gains/(losses) on defined benefit plans                     | (1.56)                | 0.02             | 4.33                  | (1.54)                | 0.37                  | 3.10              |
| Income tax effect on above   | 0.39                  | -                | (1.09)                | 0.39                  | (0.09)                | (0.78)            |
| <b>Total other comprehensive (loss)/income, net of tax</b>                 | <b>(1.17)</b>         | <b>0.02</b>      | <b>3.24</b>           | <b>(1.15)</b>         | <b>0.28</b>           | <b>2.32</b>       |
| <b>Total comprehensive (loss)/income</b>                                   | <b>(150.40)</b>       | <b>347.88</b>    | <b>380.60</b>         | <b>197.48</b>         | <b>653.69</b>         | <b>1,211.98</b>   |
| <b>(Loss)/Earning per equity share (of Rs. 10/- each) (not annualised)</b> |                       |                  |                       |                       |                       |                   |
| a) Basic   | (0.46)                | 1.07             | 1.23                  | 0.61                  | 2.13                  | 3.86              |
| b) Diluted   | (0.46)                | 1.07             | 1.20                  | 0.61                  | 2.08                  | 3.84              |
| Paid up share capital (Face value Rs. 10/- each, fully paid)               | 3,248.24              | 3,242.44         | 1,363.36              | 3,248.24              | 1,363.36              | 3,242.44          |
| Other equity   |                       |                  |                       |                       |                       | 8,002.28          |



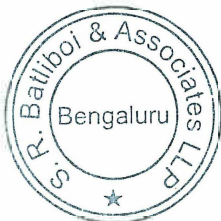
**Honasa Consumer Limited**  
CIN: L74999DL2016PLC306016

Registered office: Unit No - 404, 4<sup>th</sup> floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi - 110075, India  
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**Unaudited Standalone Balance Sheet as of September 30, 2024**

(Amount in Rs. Million)

| Particulars   | As at              |                  |
|---|--------------------|------------------|
|   | September 30, 2024 | March 31, 2024   |
|   | Unaudited          | Audited          |
| <b>Assets</b>   |                    |                  |
| <b>Non-current assets</b>   |                    |                  |
| Property, plant and equipment   | 139.54             | 109.54           |
| Capital work in progress  | -                  | 2.88             |
| Goodwill  | 8.89               | 8.89             |
| Other intangible assets   | 550.71             | 522.30           |
| Right-of-use assets   | 1,078.70           | 1,057.34         |
| <b>Financial assets</b>   |                    |                  |
| Investments in subsidiaries   | 1,585.11           | 1,522.31         |
| Loans   | 40.00              | 160.00           |
| Other financial assets  | 2,921.78           | 1,885.87         |
| Income tax assets (net)   | 70.78              | -                |
| Deferred tax assets (net)   | 13.32              | -                |
| Other non-current assets  | 9.52               | 9.80             |
| <b>Total non-current assets</b>   | <b>6,418.34</b>    | <b>5,278.93</b>  |
| <b>Current assets</b>   |                    |                  |
| Inventories   | 1,640.66           | 1,149.74         |
| <b>Financial assets</b>   |                    |                  |
| Investments   | 2,162.87           | 2,734.58         |
| Trade receivables   | 1,449.35           | 1,468.03         |
| Cash and cash equivalents   | 62.53              | 1,009.96         |
| Bank balances other than cash and cash equivalents                                    | 4,030.50           | 3,785.80         |
| Other financial assets  | 587.30             | 430.49           |
| Other current assets  | 542.68             | 273.34           |
| <b>Total current assets</b>   | <b>10,475.89</b>   | <b>10,851.94</b> |
| <b>Total assets</b>   | <b>16,894.24</b>   | <b>16,130.87</b> |
| <b>Equity and liabilities</b>   |                    |                  |
| <b>Equity</b>   |                    |                  |
| Equity share capital  | 3,248.24           | 3,242.44         |
| Instruments entirely in the nature of equity  | -                  | -                |
| Other equity  | 8,279.07           | 8,002.28         |
| <b>Equity attributable to equity holders of the parent</b>                            | <b>11,527.31</b>   | <b>11,244.73</b> |
| Non-controlling interest  | -                  | -                |
| <b>Total equity</b>   | <b>11,527.31</b>   | <b>11,244.72</b> |
| <b>Non-current liabilities</b>  |                    |                  |
| <b>Financial liabilities</b>  |                    |                  |
| Borrowings  | -                  | -                |
| Lease liabilities   | 955.52             | 959.31           |
| Other financial liabilities   | -                  | -                |
| Provisions  | 76.43              | 66.01            |
| Deferred tax liabilities (net)  | -                  | 26.74            |
| Other non current liabilities   | -                  | -                |
| <b>Total non-current liabilities</b>  | <b>1,031.95</b>    | <b>1,052.06</b>  |
| <b>Current liabilities</b>  |                    |                  |
| <b>Financial liabilities</b>  |                    |                  |
| Borrowings  | -                  | -                |
| Lease liabilities   | 212.67             | 142.61           |
| Trade payables  | -                  | -                |
| Total outstanding due of micro enterprises and small enterprises                      | 175.70             | 109.05           |
| Total outstanding due of creditors other than micro enterprises and small enterprises | 3,051.17           | 2,620.72         |
| Other financial liabilities   | 314.89             | 199.87           |
| Provisions  | 77.07              | 58.00            |
| Other current liabilities   | 503.49             | 657.33           |
| Income tax liability (net)  | -                  | 46.51            |
| <b>Total current liabilities</b>  | <b>4,334.99</b>    | <b>3,834.09</b>  |
| <b>Total liabilities</b>  | <b>5,366.94</b>    | <b>4,886.15</b>  |
| <b>Total equity and liabilities</b>   | <b>16,894.24</b>   | <b>16,130.87</b> |





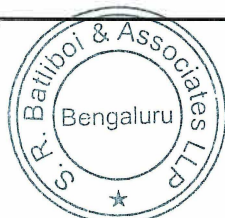
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**Unaudited Standalone Statement of Cash Flows for the period ended September 30, 2024**

(Amount in Rs. Million)

| Particulars  | Period ended          |                       |
|--|-----------------------|-----------------------|
|  | September 30,<br>2024 | September 30,<br>2023 |
|  | Unaudited             | Unaudited             |
| <b>Cash flow from operating activities:</b>  |                       |                       |
| Profit before tax  | 255.29                | 843.67                |
| <b>Adjustments to reconcile Profit before tax to net cash flows:</b>   |                       |                       |
| Depreciation of property, plant and equipment  | 27.63                 | 13.91                 |
| Amortisation of intangible assets  | 4.14                  | 2.10                  |
| Depreciation of right-of-use-assets  | 124.81                | 76.32                 |
| Provision for doubtful debts (refer note 9)  | 66.00                 | 29.62                 |
| Provision for slow moving inventory (refer note 9)   | 74.23                 | 48.30                 |
| Share based payments expenses (equity settled)   | 43.96                 | 99.98                 |
| Fair value gain on investments measured at fair value through profit and loss ('FVTPL')  | (14.93)               | (77.28)               |
| Change in fair valuation of derivative liability (refer note 5)  | -                     | (102.00)              |
| Gain on sale of investments measured at FVTPL  | (84.73)               | (11.59)               |
| Gain on lease modification   | -                     | (24.14)               |
| Interest income  | (265.10)              | (60.48)               |
| Finance costs  | 52.30                 | 24.02                 |
| <b>Operating cash flow before working capital changes</b>  | <b>283.60</b>         | <b>862.43</b>         |
| <b>Movement in working capital:</b>  |                       |                       |
| (Increase) in Trade receivables  | (47.31)               | (165.85)              |
| (Increase) in Other financial assets   | (32.95)               | (148.73)              |
| Increase in Trade payables   | 497.10                | 727.40                |
| Increase/(Decrease) in Financial liabilities   | 123.97                | (12.22)               |
| Increase in Provisions   | 27.95                 | 22.75                 |
| (Increase) in Inventories  | (565.15)              | (194.35)              |
| (Decrease) in Other liabilities  | (153.83)              | (13.89)               |
| (Increase) in Other assets   | (269.34)              | (111.65)              |
| <b>Cash flow (used in)/generated from operating activities</b>   | <b>(135.96)</b>       | <b>965.89</b>         |
| Income tax paid  | (213.61)              | (117.40)              |
| <b>Net cash flow (used in)/ generated from operating activities [A]</b>  | <b>(349.57)</b>       | <b>848.49</b>         |
| <b>Cash flow from Investing activities:</b>  |                       |                       |
| Purchase of property, plant and equipment (including capital work in progress, capital advances and payable for capital goods) | (63.44)               | (30.18)               |
| Payment of Initial direct costs on leases  | (0.38)                | -                     |
| Purchase of intangible assets, including payable for capital goods   | (32.56)               | (1.57)                |
| Investment in subsidiaries   | (62.20)               | (230.08)              |
| Loan to subsidiaries   | 120.00                | (15.00)               |
| Investment in Deposits (net)   | (1,250.20)            | (370.10)              |
| Purchase of current investment   | (258.15)              | (520.85)              |
| Redemption of current investment   | 929.53                | 507.23                |
| Interest received  | 106.79                | 59.56                 |
| <b>Net cash flow (used in) investing activities [B]</b>  | <b>(510.61)</b>       | <b>(600.99)</b>       |
| <b>Cash flow from Financing activities:</b>  |                       |                       |
| Proceeds from issuance of equity shares, net of share issue expenses   | 40.55                 | -                     |
| Principal repayment of lease liabilities   | (75.50)               | (63.79)               |
| Interest on lease liabilities  | (50.25)               | (21.93)               |
| Finance cost paid  | (2.05)                | (2.09)                |
| <b>Net cash flows (used in) financing activities [C]</b>   | <b>(87.25)</b>        | <b>(87.81)</b>        |
| <b>Net (decrease)/increase in cash and cash equivalents [A+B+C]</b>  | <b>(947.43)</b>       | <b>159.69</b>         |
| Cash and cash equivalents at the beginning of the period   | 1,009.96              | (19.37)               |
| <b>Cash and cash equivalents at the end of the period</b>  | <b>62.53</b>          | <b>140.32</b>         |
| <b>Components of cash and cash equivalents</b>   |                       |                       |
| Balance with banks   |                       |                       |
| - On current accounts  | 62.13                 | 138.56                |
| Cash in hand   | 0.40                  | 1.76                  |
| <b>Total cash and cash equivalents</b>   | <b>62.53</b>          | <b>140.32</b>         |



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## Notes to the Unaudited Standalone Financial Results

- 1 The above Unaudited Standalone Financial Results of Honasa Consumer Limited (the 'Company') have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder and in terms of the Regulation 33 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. These Unaudited Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 14, 2024.
- 2 During the previous year, the Company has completed its Initial Public Offer (IPO) of 52,515,692 equity shares of face value of Rs. 10 each at an issue price of Rs. 324 per share (including a share premium of Rs. 314 per share). A discount of Rs. 30 per share was offered to eligible employees bidding in the employee's reservation portion of 22,678 equity shares. The issue comprised of a fresh issue of 11,267,530 equity shares aggregating to Rs. 3,650 Million and offer for sale of 41,248,162 equity shares by selling shareholders aggregating to Rs. 13,364.40 Million. Pursuant to the IPO, the equity shares of the Holding Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 07, 2023.
- 3 The utilisation of the IPO proceeds from fresh issue of Rs 3,504.92 Million (net of IPO expenses of Rs 145.08 Million) is summarized below:

| Particulars   | Amount to be utilised as per Prospectus (Rs Million) | Utilisation upto September 30, 2024 (Rs Million) |
|---|--|--|
| Advertisement expenses towards enhancing the awareness and visibility of brands | 1,820.00   | 437.73   |
| Capital expenditure to be incurred by the Company for setting up new EBOs       | 206.00   | 27.97  |
| Investment in Subsidiary, BBlunt for setting up new salons                      | 260.00   | 23.86  |
| General corporate purposes and unidentified inorganic acquisition               | 1,218.92   | 42.13  |
| <b>Total</b>  | <b>3,504.92</b>                                      | <b>531.69</b>                                    |

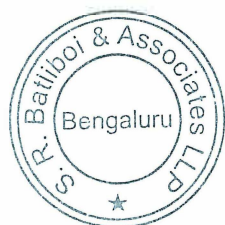
- 4 The Company is principally engaged in trading of variety of beauty and personal care products and related services with products across baby care, skin care, hair and other related personal care categories which are manufactured through third party contract manufacturers. Accordingly, these, in the context of Ind AS 108 on operating segments reporting, are considered to constitute one segment by the Chief Operating Decision Maker and hence the Company has not made any additional segment disclosures.
- 5 Pursuant to the Shareholders Agreement between the Company and erstwhile shareholders of Just4kids Services Private Limited ('Momspresso'), both the parties had the obligation to purchase and sell the remaining shares of the existing shareholders at a pre-agreed valuation. This had been treated as a derivative instrument and fair valued through profit and loss account and accordingly an amount of Rs 102 Million was accounted as derivative liability. Further, the promoters of Momspresso were also entitled to retention bonus from the Company in the form of employee stock options of the Company, subject to vesting conditions. During the financial year ended March 31, 2024, the promoters of Momspresso have resigned from their employment and the vesting conditions of the employee stock options were not fulfilled. Accordingly, the Company has reversed the share based payment reserve of Rs 47.47 Million. Further, the Company has acquired the remaining stake in Just4Kids Services Private Limited for a consideration of Rs. 230.08 Million and considering that the liability was settled at a value which was lower than the initial agreed valuation, the change in fair value of derivative liability of Rs 102 Million has been reversed on completion of balance stake acquisition.
- 6 RSM General Trading LLC ('RSM'), an overseas distributor of the Company had filed a legal suit against the Company in the Court of First Instance in UAE on the grounds that the Distributorship Agreement between RSM and the Company has been terminated illegally by the Company without complying with provisions of the Distributorship Agreement and RSM has claimed damages to the tune of AED 45 Million (equivalent to Rs 1,001.25 Million), whereas the Court in its hearing held on May 16, 2024, had ordered the Company to pay an amount of AED 25.07 Million (equivalent to Rs 576.65 Million) plus interest at the rate of 5% from the date of order till the date of payment ("UAE Court Order"). The Company had filed an appeal against the said order. The Court of Appeal on October 15, 2024 rejected the appeal filed by the Company, without issuing any observations or findings on the expert reports filed by the Company and the exclusive jurisdiction clause contained in the Agreement.

The Company had further filed a petition under Section 9 of Arbitration and Conciliation Act, 1996, in High court of Delhi seeking Anti-suit and enforcement injunction prohibiting RSM from continuing proceedings in UAE. On August 20, 2024, the Court allowed the Section 9 petition in favour of the Company and directed RSM to withdraw the execution proceedings instituted in UAE by September 18, 2024, and deposit Rs 576.65 Million in the Delhi High Court registry by September 26, 2024. Further, the Delhi High Court ruled that the deposit amount of Rs 576.65 Million shall stand released to the Company in the event any execution proceedings filed by RSM in UAE become successful. As on date, RSM has not complied with the directions issued by the Delhi High Court, resultantly, the Company has filed a contempt petition against RSM for their failure to comply with the directions of the Delhi High Court.

The Company is currently in the process to file further appeal with the Dubai Cassation Court to challenge the decision issued by the Dubai Court of Appeals.

Basis legal advice from Counsel, the Company is confident of favourable outcome.

- 7 During the quarter ended June 30, 2024, the Board of Directors of the Company and its wholly owned subsidiaries Fusion Cosmeceutics Private Limited ('Transferor Company-1') and Just4Kids Services Private Limited ('Transferor Company-2'), have approved the Scheme of Amalgamation between the Company, Transferor Company-1, Transferor Company-2 and their respective shareholders and creditors (hereinafter referred to as "the Scheme") in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 to transfer the business of Transferor Company-1 and Transfer Company-2 to the Company. The Company has filed the scheme with the regulatory authorities and received approval on first motion application by NCLT Delhi and NCLT Chandigarh via order dated August 13, 2024 and August 22, 2024 respectively. The Company has subsequently filed the second motion application and is awaiting the necessary approvals.



Handwritten signature in blue ink.



8 During the quarter ended June 30, 2024, the Company has entered into an asset purchase agreement with Cosmogensis Cosmetics to acquire formulations expertise, research and development lab along with a small manufacturing facility for a purchase consideration of Rs. 40 Million. The Company acquired the control for the said acquisition on July 2, 2024. The acquisition is accounted for as an asset acquisition transaction in accordance with Ind AS 103. The assets have been recorded at their respective fair values.

9 During the current quarter, the Company has executed Project 'Neev' which entails transition to Direct distribution model across top 50 cities and in the process making the general trade distribution future ready. As part of the Project 'Neev' the Company has discontinued super stockist layer as well as certain direct Distributors replacing them with higher quality/Tier 1 Distributors to service Retailers across top 50 cities. Consequent to the aforesaid transition, sales return of Rs 635.18 Million has been provided for with resulting inventory/Right to return asset of Rs 114.42 Million and provision for doubtful debts of Rs 20.80 Million

For and on behalf of Board of Directors of Honasa Consumer Limited



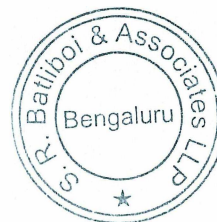
**Varun Alagh**

**Chairperson, Whole Time Director and CEO**

DIN:07597289

Gurugram

November 14, 2024





**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated 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  
Honasa Consumer Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Honasa Consumer Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2024 and year to date from April 01, 2024 to September 30, 2024 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding 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 ('the Act'), 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the Holding Company and its following subsidiaries:
  - (i) Just4Kids Services Private Limited
  - (ii) Bhabani Blunt Hairdressing Private Limited
  - (iii) B:Blunt-Spratt Hairdressing Private Limited
  - (iv) Fusion Cosmeceutics Private Limited
  - (v) Honasa Consumer General Trading LLC
  - (vi) PT Honasa Consumer Indonesia
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, 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.





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:

- 5 subsidiaries, whose unaudited interim financial results include (before consolidation adjustments) total assets of Rs 1,219.95 million as at September 30, 2024, total revenues of Rs 451.09 million and Rs 1,014.53 million, total (loss)/profit after tax of Rs. (36.59) million and Rs 23.89 million and total comprehensive income/(loss) of Rs. (36.73) million and Rs 22.90 million for the quarter ended September 30, 2024 and for the period from April 01, 2024 to September 30, 2024 respectively and net cash outflows of Rs 17 million for the period from April 01, 2024 to September 30, 2024, as considered in the Statement which have been reviewed by their respective independent auditors.


The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

**For S.R. BATLIBOI & ASSOCIATES LLP**

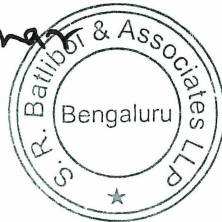
Chartered Accountants

**ICAI Firm registration number:** 101049W/E300004

  
Per Rajeev Kumar  
Partner

Membership No.: 213803

UDIN: 24213803BKGWPA5068



Place: Bengaluru

Date: November 14, 2024



# Honasa Consumer Limited

CIN: L74999DL2016PLC306016

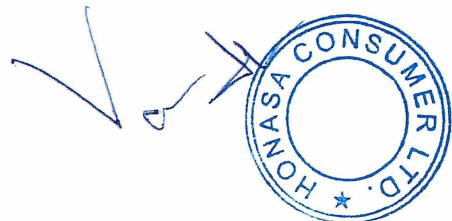
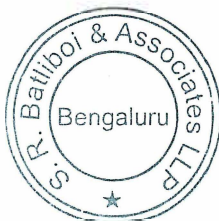
Registered office: Unit No - 404, 4<sup>th</sup> floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi - 110075, India

Website: [www.honasa.in](http://www.honasa.in); Email: [compliance@mamaearth.in](mailto:compliance@mamaearth.in); Telephone: +91 124 4071960

## Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2024

(Amount in Rs. Million)

| Particulars   | Quarter ended         |                  |                       | Six months ended      |                       | Year ended        |
|---|-----------------------|------------------|-----------------------|-----------------------|-----------------------|-------------------|
|   | September 30,<br>2024 | June 30,<br>2024 | September 30,<br>2023 | September 30,<br>2024 | September 30,<br>2023 | March 31,<br>2024 |
|   | Unaudited             | Unaudited        | Unaudited             | Unaudited             | Unaudited             | Audited           |
| <b>Income</b>   |                       |                  |                       |                       |                       |                   |
| Revenue from operations (refer note 10)                                     | 4,618.22              | 5,540.57         | 4,961.08              | 10,158.79             | 9,605.95              | 19,199.04         |
| Other income  | 200.23                | 187.21           | 70.78                 | 387.44                | 196.88                | 497.01            |
| <b>Total income</b>   | <b>4,818.45</b>       | <b>5,727.78</b>  | <b>5,031.86</b>       | <b>10,546.23</b>      | <b>9,802.83</b>       | <b>19,696.05</b>  |
| <b>Expenses</b>   |                       |                  |                       |                       |                       |                   |
| Purchases of traded goods   | 1,892.15              | 1,835.25         | 1,453.90              | 3,727.40              | 3,072.84              | 5,935.66          |
| (Increase)/ decrease in inventories of traded goods (refer note 10)         | (450.05)              | (265.15)         | 60.92                 | (715.20)              | (212.34)              | (128.38)          |
| Employee benefits expense (refer note 5)                                    | 514.54                | 494.25           | 371.12                | 1,008.79              | 816.18                | 1,705.63          |
| Depreciation and amortization expenses                                      | 105.61                | 94.15            | 62.91                 | 199.76                | 127.83                | 306.17            |
| Finance costs   | 31.34                 | 30.26            | 17.86                 | 61.60                 | 32.61                 | 90.41             |
| Other expenses (refer note 10)  | 2,968.58              | 3,015.06         | 2,673.10              | 5,983.64              | 5,234.13              | 10,315.26         |
| <b>Total expenses</b>   | <b>5,062.17</b>       | <b>5,203.82</b>  | <b>4,639.81</b>       | <b>10,265.99</b>      | <b>9,071.25</b>       | <b>18,224.75</b>  |
| <b>(Loss)/Profit before tax</b>   | <b>(243.72)</b>       | <b>523.96</b>    | <b>392.05</b>         | <b>280.24</b>         | <b>731.58</b>         | <b>1,471.30</b>   |
| <b>Tax expenses</b>   |                       |                  |                       |                       |                       |                   |
| Current tax   | (32.79)               | 139.82           | 104.51                | 107.03                | 188.18                | 368.01            |
| Deferred tax (credit)/charge  | (25.18)               | (18.45)          | (6.84)                | (43.63)               | 1.87                  | (1.99)            |
| <b>Total tax expenses</b>   | <b>(57.97)</b>        | <b>121.37</b>    | <b>97.67</b>          | <b>63.40</b>          | <b>190.05</b>         | <b>366.02</b>     |
| <b>(Loss)/Profit after tax</b>  | <b>(185.75)</b>       | <b>402.59</b>    | <b>294.38</b>         | <b>216.84</b>         | <b>541.53</b>         | <b>1,105.28</b>   |
| <b>Other comprehensive (loss)/income (OCI)</b>                              |                       |                  |                       |                       |                       |                   |
| Items that will not be reclassified subsequently to profit or loss:         |                       |                  |                       |                       |                       |                   |
| Re-measurement gains/(losses) on defined benefit plans                      | (1.65)                | (1.07)           | 4.38                  | (2.72)                | (0.13)                | 2.41              |
| Income tax effect on above  | 0.45                  | 0.22             | (1.09)                | 0.67                  | 0.03                  | (0.78)            |
| Items that will be reclassified subsequently to profit or loss:             |                       |                  |                       |                       |                       |                   |
| Net exchange (loss)/ gain on translation of foreign operations              | (0.15)                | 0.06             | 0.17                  | (0.09)                | 0.04                  | (0.48)            |
| <b>Total other comprehensive (loss)/income, net of tax</b>                  | <b>(1.35)</b>         | <b>(0.79)</b>    | <b>3.46</b>           | <b>(2.14)</b>         | <b>(0.06)</b>         | <b>1.15</b>       |
| <b>Total comprehensive (loss)/income</b>                                    | <b>(187.10)</b>       | <b>401.80</b>    | <b>297.84</b>         | <b>214.70</b>         | <b>541.47</b>         | <b>1,106.43</b>   |
| <b>(Loss)/Profit after tax attributable to:</b>                             | <b>(185.75)</b>       | <b>402.59</b>    | <b>294.38</b>         | <b>216.84</b>         | <b>541.53</b>         | <b>1,105.28</b>   |
| Owners of the company   | (185.75)              | 402.59           | 294.38                | 216.84                | 554.00                | 1,117.75          |
| Non-controlling interests   | -                     | -                | -                     | -                     | (12.47)               | (12.47)           |
| <b>Other comprehensive (loss)/income, net of tax attributable to:</b>       | <b>(1.35)</b>         | <b>(0.79)</b>    | <b>3.46</b>           | <b>(2.14)</b>         | <b>(0.06)</b>         | <b>1.15</b>       |
| Owners of the company   | (1.35)                | (0.79)           | 3.46                  | (2.14)                | (0.06)                | 1.15              |
| Non-controlling interests   | -                     | -                | -                     | -                     | -                     | -                 |
| <b>Total comprehensive (loss)/income attributable to:</b>                   | <b>(187.10)</b>       | <b>401.80</b>    | <b>297.84</b>         | <b>214.70</b>         | <b>541.47</b>         | <b>1,106.43</b>   |
| Owners of the company   | (187.10)              | 401.80           | 297.84                | 214.70                | 553.94                | 1,118.90          |
| Non-controlling interests   | -                     | -                | -                     | -                     | (12.47)               | (12.47)           |
| <b>(Loss)/Earnings per equity share (of Rs. 10/- each) (not annualised)</b> |                       |                  |                       |                       |                       |                   |
| a) Basic  | (0.57)                | 1.24             | 0.96                  | 0.67                  | 1.81                  | 3.57              |
| b) Diluted  | (0.57)                | 1.24             | 0.93                  | 0.67                  | 1.76                  | 3.55              |
| Paid up share capital (Face value Rs. 10/- each, fully paid)                | 3,248.24              | 3,242.44         | 1,363.36              | 3,248.24              | 1,363.36              | 3,242.44          |
| Other equity  |                       |                  |                       |                       |                       | 7,710.27          |



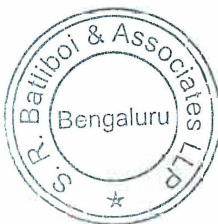
**Honasa Consumer Limited**  
CIN: L74999DL2016PLC306016

Registered office: Unit No - 404, 4<sup>th</sup> floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi - 110075, India  
Website: [www.honasa.in](http://www.honasa.in); Email: [compliance@mamaearth.in](mailto:compliance@mamaearth.in); Telephone: +91 124 4071960

**Unaudited Consolidated Balance Sheet as at September 30, 2024**

(Amount in Rs. Million)

| Particulars   | As at              |                  |
|---|--------------------|------------------|
|   | September 30, 2024 | March 31, 2024   |
|   | Unaudited          | Audited          |
| <b>Assets</b>   |                    |                  |
| <b>Non-current assets</b>   |                    |                  |
| Property, plant and equipment   | 247.70             | 199.60           |
| Capital work in progress  | -                  | 4.63             |
| Goodwill  | 527.75             | 527.75           |
| Other intangible assets   | 1,038.45           | 1,017.51         |
| Right-of-use assets   | 1,275.87           | 1,242.61         |
| Financial assets  |                    |                  |
| Loans   |                    |                  |
| Other financial assets  | 2,948.37           | 2,008.29         |
| Income tax assets (net)   | 87.93              | 8.88             |
| Deferred tax assets (net)   | 33.62              | 17.98            |
| Other non-current assets  | 9.52               | 9.80             |
| <b>Total non-current assets</b>   | <b>6,169.21</b>    | <b>5,037.05</b>  |
| <b>Current assets</b>   |                    |                  |
| Inventories   | 1,801.54           | 1,228.36         |
| Financial assets  |                    |                  |
| Investments   | 2,238.54           | 2,917.69         |
| Trade receivables   | 1,532.65           | 1,593.76         |
| Cash and cash equivalents   | 105.77             | 1,070.21         |
| Bank balances other than cash and cash equivalents                                    | 4,282.16           | 3,786.30         |
| Other financial assets  | 514.09             | 392.94           |
| Other current assets  | 608.30             | 294.13           |
| <b>Total current assets</b>   | <b>11,083.05</b>   | <b>11,283.39</b> |
| <b>Total assets</b>   | <b>17,252.26</b>   | <b>16,320.44</b> |
| <b>Equity and liabilities</b>   |                    |                  |
| <b>Equity</b>   |                    |                  |
| Equity share capital  | 3,248.24           | 3,242.44         |
| Other equity  | 8,004.27           | 7,710.27         |
| <b>Equity attributable to equity holders of the parent</b>                            | <b>11,252.51</b>   | <b>10,952.71</b> |
| Non-controlling interest  | -                  | -                |
| <b>Total equity</b>   | <b>11,252.51</b>   | <b>10,952.71</b> |
| <b>Non-current liabilities</b>  |                    |                  |
| Financial liabilities   |                    |                  |
| Lease liabilities   | 1,132.22           | 1,124.50         |
| Provisions  | 85.21              | 73.17            |
| Deferred tax liabilities (net)  | 2.21               | 30.87            |
| <b>Total non-current liabilities</b>  | <b>1,219.64</b>    | <b>1,228.54</b>  |
| <b>Current liabilities</b>  |                    |                  |
| Financial liabilities   |                    |                  |
| Lease liabilities   | 257.64             | 185.19           |
| Trade payables  |                    |                  |
| Total outstanding due of micro enterprises and small enterprises                      | 199.56             | 159.18           |
| Total outstanding due of creditors other than micro enterprises and small enterprises | 3,367.71           | 2,781.89         |
| Other financial liabilities   | 344.56             | 226.51           |
| Provisions  | 82.61              | 61.84            |
| Other current liabilities   | 520.76             | 673.57           |
| Income tax liability (net)  | 7.27               | 51.01            |
| <b>Total current liabilities</b>  | <b>4,780.11</b>    | <b>4,139.19</b>  |
| <b>Total liabilities</b>  | <b>5,999.75</b>    | <b>5,367.73</b>  |
| <b>Total equity and liabilities</b>   | <b>17,252.26</b>   | <b>16,320.44</b> |



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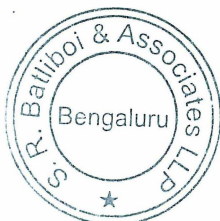
**Honasa Consumer Limited**  
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Registered office: Unit No - 404, 4<sup>th</sup> floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi - 110075, India  
Website: [www.honasa.in](http://www.honasa.in); Email: [compliance@mamaearth.in](mailto:compliance@mamaearth.in); Telephone: +91 124 4071960

**Unaudited Consolidated Statement of Cash Flows for the six months ended September 30, 2024**

(Amount in Rs. Million)

| Particulars  | Period ended       |                    |
|--|--------------------|--------------------|
|  | September 30, 2024 | September 30, 2023 |
|  | Unaudited          | Unaudited          |
| <b>Cash flow from operating activities:</b>  |                    |                    |
| Profit before tax  | 280.24             | 731.58             |
| <b>Adjustments to reconcile Profit before tax to net cash flows:</b>   |                    |                    |
| Depreciation of property, plant and equipment ("PPE")  | 40.41              | 21.20              |
| Amortisation of intangible assets  | 11.81              | 9.78               |
| Depreciation of right-of-use-assets  | 147.54             | 96.83              |
| Provision for doubtful debts (refer note 10)   | 64.54              | 29.97              |
| Provision for slow moving inventory (refer note 10)  | 72.23              | 49.55              |
| Loss on sale/disposal of PPE   | 0.12               | 11.00              |
| Share based payments expenses (equity settled)   | 44.55              | 57.07              |
| Fair value gain on investments measured at fair value through profit and loss ('FVTPL')  | (16.46)            | (78.17)            |
| Gain on sale of investments measured at FVTPL  | (88.86)            | (12.02)            |
| Gain on lease modification   | -                  | (24.14)            |
| Interest income  | (265.60)           | (58.33)            |
| Finance costs  | 61.60              | 32.61              |
| <b>Operating cash flow before working capital changes</b>  | <b>352.12</b>      | <b>866.93</b>      |
| <b>Movement in working capital:</b>  |                    |                    |
| (Increase) in Trade receivables  | (3.43)             | (102.16)           |
| (Increase) in Other financial assets   | (4.71)             | (114.02)           |
| Increase in Trade payables   | 626.19             | 791.63             |
| Increase/(Decrease) in Financial liabilities   | 127.00             | (27.78)            |
| Increase in Provisions   | 30.09              | 12.51              |
| (Increase) in Inventories  | (645.41)           | (228.62)           |
| (Decrease)/Increase in Other liabilities   | (152.80)           | 19.27              |
| (Increase) in Other assets   | (314.17)           | (153.97)           |
| <b>Cash flow generated from operating activities</b>   | <b>14.88</b>       | <b>1,063.79</b>    |
| Income tax paid  | (229.82)           | (126.27)           |
| <b>Net cash flow (used in)/ generated from operating activities [A]</b>  | <b>(214.94)</b>    | <b>937.52</b>      |
| <b>Cash flow from Investing activities:</b>  |                    |                    |
| Purchase of property, plant and equipment (including capital work in progress, capital advances and payable for capital goods) | (92.77)            | (50.33)            |
| Proceeds from sale of property, plant and equipment and intangible assets  | -                  | 2.58               |
| Purchase of intangible assets, including payable for capital goods   | (32.75)            | -                  |
| Payment of Initial direct costs on leases  | (0.38)             | (1.57)             |
| Investment in Deposits (net)   | (1,401.36)         | (308.32)           |
| Purchase of current investment   | (289.99)           | (638.12)           |
| Redemption of current investment   | 1,074.46           | 507.23             |
| Interest received  | 110.56             | 53.50              |
| Settlement of NCI Liability  | -                  | (230.08)           |
| <b>Net cash flow (used in) investing activities [B]</b>  | <b>(632.23)</b>    | <b>(665.11)</b>    |
| <b>Cash flow from Financing activities:</b>  |                    |                    |
| Proceeds from issuance of equity shares, net of share issue expenses   | 40.56              | -                  |
| Principal repayment of lease liabilities   | (96.23)            | (122.60)           |
| Interest on lease liabilities  | (57.73)            | (28.64)            |
| Finance cost paid  | (3.87)             | (3.97)             |
| <b>Net cash flows (used in) financing activities [C]</b>   | <b>(117.27)</b>    | <b>(155.21)</b>    |
| <b>Net (decrease)/increase in cash and cash equivalents [A+B+C]</b>  | <b>(964.44)</b>    | <b>117.20</b>      |
| Cash and cash equivalents at the beginning of the period   | 1,070.21           | 46.46              |
| <b>Cash and cash equivalents at the end of the period</b>  | <b>105.77</b>      | <b>163.66</b>      |
| <b>Components of cash and cash equivalents</b>   |                    |                    |
| Balance with banks   |                    |                    |
| - On current accounts  | 104.67             | 161.32             |
| Cash in hand   | 1.10               | 2.34               |
| <b>Total cash and cash equivalents</b>   | <b>105.77</b>      | <b>163.66</b>      |



✓





## Notes to the Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2024

- 1 The above Unaudited Consolidated Financial Results of Honasa Consumer Limited (the 'Holding Company' or 'the company') together with its subsidiaries (collectively the 'Group') have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder and in terms of the Regulation 33 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. These Unaudited Consolidated Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 14, 2024.
- 2 During the previous year, the Holding Company has completed its Initial Public Offer (IPO) of 52,515,692 equity shares of face value of Rs. 10 each at an issue price of Rs. 324 per share (including a share premium of Rs. 314 per share). A discount of Rs. 30 per share was offered to eligible employees bidding in the employee's reservation portion of 22,678 equity shares. The issue comprised of a fresh issue of 11,267,530 equity shares aggregating to Rs. 3,650 Million and offer for sale of 41,248,162 equity shares by selling shareholders aggregating to Rs. 13,364.40 Million. Pursuant to the IPO, the equity shares of the Holding Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 07, 2023.
- 3 The utilisation of the IPO proceeds from fresh issue of Rs 3,504.92 Million (net of IPO expenses of Rs 145.08 Million) is summarized below:

| Particulars   | Amount to be utilised as per Prospectus (Rs Million) | (Rs. Million)                                 |
|---|--|---|
|   |  | Utilisation upto September, 2024 (Rs Million) |
| Advertisement expenses towards enhancing the awareness and visibility of brands | 1,820.00   | 437.73  |
| Capital expenditure to be incurred by the Company for setting up new EBOs       | 206.00   | 27.97   |
| Investment in Subsidiary, BBlunt for setting up new salons                      | 260.00   | 23.86   |
| General corporate purposes and unidentified inorganic acquisition               | 1,218.92   | 42.13   |
| <b>Total</b>  | <b>3,504.92</b>                                      | <b>531.69</b>                                 |

- 4 The Group is principally engaged in trading of variety of beauty and personal care products and related services with products across baby care, skin care, hair and other related personal care categories which are manufactured through third party contract manufacturers. Accordingly, these, in the context of Ind AS 108 on operating segments reporting are considered to constitute one segment by Chief Operating Decision Maker and hence the Group has not made any additional segment disclosures.
- 5 Pursuant to the Shareholders Agreement between the Holding Company and erstwhile shareholders of Just4kids Services Private Limited ('Momspresso'), both the parties had the obligation to purchase and sell the remaining shares of the existing shareholders at a pre-agreed valuation. Further, the promoters of Momspresso were also entitled to retention bonus from the Holding Company in the form of employee stock options of the Holding Company, subject to vesting conditions. During the financial year ended March 31, 2024, the promoters of Momspresso have resigned from their employment and the vesting conditions of the employee stock options were not fulfilled. Accordingly, the Group has reversed the share based payment expense of Rs 47.47 Million and the Holding Company has also acquired the remaining stake in Momspresso for a consideration of Rs. 230.08 Million.
- 6 Figures for Unaudited standalone financial results of the Holding Company are as follows:

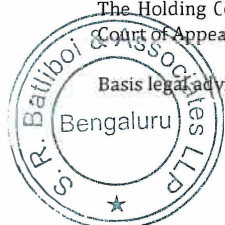
| S No | Particulars                             | (Rs. Million)      |               |                    |                    |                    |                |
|------|---|--------------------|---------------|--------------------|--------------------|--------------------|----------------|
|      |   | Quarter ended      |               |                    | Six months ended   |                    | Year ended     |
|      |   | September 30, 2024 | June 30, 2024 | September 30, 2023 | September 30, 2024 | September 30, 2023 | March 31, 2024 |
|      |   | Unaudited          | Unaudited     | Unaudited          | Unaudited          | Unaudited          | Audited        |
| 1    | Revenue from operations (refer note 10) | 4,174.84           | 4,983.95      | 4,601.93           | 9,158.79           | 8,863.30           | 17,643.89      |
| 2    | (Loss)/Profit before tax                | (210.79)           | 466.08        | 475.69             | 255.29             | 843.67             | 1,582.79       |
| 3    | (Loss)/Profit after tax                 | (149.22)           | 347.86        | 377.36             | 198.64             | 653.41             | 1,209.66       |

- 7 RSM General Trading LLC ('RSM'), an overseas distributor of the Holding Company had filed a legal suit against the Holding Company in the Court of First Instance in UAE on the grounds that the Distributorship Agreement between RSM and the Holding Company has been terminated illegally by the Holding Company without complying with provisions of the Distributorship Agreement and RSM has claimed damages to the tune of AED 45 Million (equivalent to Rs 1,001.25 Million), whereas the Court in its hearing held on May 16, 2024, had ordered the Holding Company to pay an amount of AED 25.07 Million (equivalent to Rs 576.65 Million) plus interest at the rate of 5% from the date of order till the date of payment ("UAE Court Order"). The Holding Company had filed an appeal against the said order. The Court of Appeal on October 15, 2024 rejected the appeal filed by the Company, without issuing any observations or findings on the expert reports filed by the Holding Company and the exclusive jurisdiction clause contained in the Agreement.

The Holding Company had further filed a petition under Section 9 of Arbitration and Conciliation Act, 1996, in High court of Delhi seeking Anti-suit and enforcement injunction prohibiting RSM from continuing proceedings in UAE. On August 20, 2024, the Court allowed the Section 9 petition in favour of the Holding Company and directed RSM to withdraw the execution proceedings instituted in UAE, by September 18, 2024, and deposit Rs 576.65 Million in the Delhi High Court registry by September 26, 2024. Further, the Delhi High Court ruled that the deposit amount of Rs 576.65 Million shall stand released to the Holding Company in the event any execution proceedings filed by RSM in UAE become successful. As on date, RSM has not complied with the directions issued by the Delhi High Court, resultantly, the Holding Company has filed a contempt petition against RSM for their failure to comply with the directions of the Delhi High Court.

The Holding Company is currently in the process to file further appeal with the Dubai Cassation Court to challenge the decision issued by the Dubai Court of Appeals.

Basis legal advice from Counsel, the Holding Company is confident of favourable outcome.



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- 8 During the quarter ended June 30, 2024, the Board of Directors of the Holding Company and its wholly owned subsidiaries Fusion Cosmeceutics Private Limited ("Transferor Company-1") and Just4Kids Services Private Limited ("Transferor Company-2"), have approved the Scheme of Amalgamation between the Company, Transferor Company-1, Transferor Company-2 and their respective shareholders and creditors (hereinafter referred to as "the Scheme") in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 to transfer the business of Transferor Company-1 and Transfer Company-2 to the Company. The Holding Company has filed the scheme with the regulatory authorities and received approval on first motion application by NCLT Delhi and NCLT Chandigarh via order dated August 13, 2024 and August 22, 2024 respectively. The Holding Company has subsequently filed the second motion application and is awaiting the necessary approvals.
- 9 During the quarter ended June 30, 2024, the Holding Company has entered into an asset purchase agreement with Cosmogensis Cosmetics to acquire formulations expertise, research and development lab along with a small manufacturing facility for a purchase consideration of Rs. 40 Million. The Holding Company acquired the control for the said acquisition on July 2, 2024. The acquisition is accounted for as an asset acquisition transaction in accordance with Ind AS 103. The assets have been recorded at their respective fair values.
- 10 During the current quarter, the Holding Company has executed Project 'Neev' which entails transition to Direct distribution model across top 50 cities and in the process making the general trade distribution future ready. As part of the Project 'Neev' the Holding Company has discontinued super stockist layer as well as certain direct Distributors replacing them with higher quality/Tier 1 Distributors to service Retailers across top 50 cities. Consequent to the aforesaid transition, sales return of Rs 635.18 Million has been provided for with resulting inventory/ Right to return asset of Rs 114.42 Million and provision for doubtful debts of Rs 20.80 Million.

For and on behalf of Board of Directors of Honasa Consumer Limited



**Varun Alagh**  
Chairperson, Whole Time Director and CEO  
DIN:07597289  
Gurugram  
November 14, 2024

