



November 22, 2023

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 22, 2023, inter-alia:

1. approved the Un-audited Standalone & Consolidated Financial Results of the Company for the quarter and half year ended on September 30, 2023.
2. Took note of the Limited Review Report of the Statutory Auditors on the Un-audited Standalone & Consolidated financial results.

The Trading Window under SEBI (Prohibition of Insider Trading) Regulations, 2015 shall remain closed for trading till Friday, November 24, 2023 and shall reopen on and from Tuesday, November 28, 2023 for the Directors and Designated Persons.

The meeting commenced at 02.30 PM and concluded at 03.30 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



Honasa Consumer Limited

Registered Office: Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075

Corporate Office: 10th Floor, Capiral Cyberscape, Ullahwas, Sector-59, Gurugram, Haryana - 122102

Email: info@mamaearth.in; Phone: 0124 - 4880828 | Website: www.honasa.in

| CIN: U74999DL2016PLC306016 |

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
(formerly known as Honasa Consumer Private Limited)**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Honasa Consumer Limited (formerly known as Honasa Consumer Private 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, 2023 and year to date from April 01, 2023 to September 30, 2023 (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 (w.e.f. April 06, 2022)
 - (v) Honasa Consumer General Trading LLC (w.e.f. June 23, 2022)
 - (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 1,007.10 million as at September 30, 2023, total revenues of Rs 359.16 million and Rs 742.65 million, total net profit after tax of Rs. 21.78 million and total net (loss) after tax of Rs (4.31) million and total comprehensive income/(loss) of Rs. 20.98 million and total comprehensive income/(loss) of Rs (4.68) million for the quarter ended September 30, 2023 and for the period from April 01, 2023 to September 30, 2023 respectively and net cash outflows of Rs 42.33 million for the period from April 01, 2023 to September 30, 2023, 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

Rajeev Kumar
Per Rajeev Kumar

Partner

Membership No.: 213803

UDIN: 23213803BGXAPB9525



Place: Gurugram

Date: November 22, 2023



Honasa Consumer Limited (formerly known as Honasa Consumer Private Limited)

CIN: U74999DL2016PLC306016

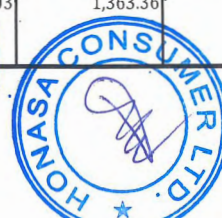
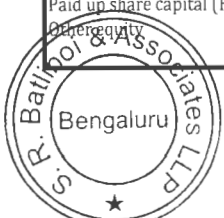
Registered office: Unit No - 404, 4th floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi - 110075, India

Website: www.honasa.in; Email: compliance@mamaearth.in; Telephone: +91 124 4071960

Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2023

(Amount in Rs. Million)

Particulars	Quarter ended			Six months ended		Previous year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	Unaudited	Audited	Audited (refer note 2)	Unaudited (refer note 3)	Audited	Audited
Income						
Revenue from operations	4,961.08	4,644.87	4,104.90	9,605.95	7,227.35	14,927.48
Other income	70.78	126.10	50.21	196.88	93.34	225.20
Total income	5,031.86	4,770.97	4,155.11	9,802.83	7,320.69	15,152.68
Expenses						
Purchases of traded goods	1,453.90	1,618.94	1,470.56	3,072.84	2,695.78	5,024.23
Increase in inventories of traded goods	60.92	(273.26)	(199.95)	(212.34)	(568.61)	(556.90)
Employee benefits expense (refer note 6(b))	371.12	445.06	390.39	816.18	777.87	1,648.80
Depreciation and amortization expenses	62.91	64.92	62.27	127.83	110.42	249.64
Finance costs	17.86	14.75	19.72	32.61	30.66	66.63
Other expenses	2,673.10	2,561.03	2,180.53	5,234.13	4,183.29	8,583.71
Total expenses	4,639.81	4,431.44	3,923.52	9,071.25	7,229.41	15,016.11
Profit/(loss) before exceptional items and taxes	392.05	339.53	231.59	731.58	91.28	136.57
Exceptional items						
Impairment loss on goodwill and other intangible assets (refer note 6(a))	-	-	-	-	-	(1,546.97)
Profit/(loss) before tax	392.05	339.53	231.59	731.58	91.28	(1,410.40)
Tax expenses						
Current tax	104.51	83.67	74.07	188.18	78.13	171.78
Deferred tax charge	(6.84)	8.71	5.59	1.87	(23.52)	(72.52)
Total tax expenses	97.67	92.38	79.66	190.05	54.61	99.26
Profit/(loss) after tax	294.38	247.15	151.93	541.53	36.67	(1,509.66)
Other comprehensive income/(loss) (OCI)						
Items that will not be reclassified subsequently to profit or loss:						
Re-measurement gains/(losses) on defined benefit plans	4.38	(4.51)	1.78	(0.13)	2.01	4.36
Income tax effect on above	(1.09)	1.12	(1.00)	0.03	(1.06)	(1.02)
Items that will be reclassified subsequently to profit or loss:						
Net exchange gain/(loss) on translation of foreign operations	0.17	(0.13)	-	0.04	-	(0.55)
Total other comprehensive income/(loss), net of tax	3.46	(3.52)	0.78	(0.06)	0.95	2.79
Total comprehensive income/(loss)	297.84	243.63	152.71	541.47	37.62	(1,506.87)
Profit/(Loss) after tax attributable to:	294.38	247.15	151.93	541.53	36.67	(1,509.66)
Owners of the company	294.38	259.62	169.90	554.00	76.94	(1,428.09)
Non-controlling interests	-	(12.47)	(17.97)	(12.47)	(40.27)	(81.57)
Other comprehensive (loss)/income attributable to:	3.46	(3.52)	0.78	(0.06)	0.95	2.79
Owners of the company	3.46	(3.52)	1.29	(0.06)	1.46	2.77
Non-controlling interests	-	-	(0.51)	-	(0.51)	0.02
Total comprehensive income/(loss) attributable to:	297.84	243.63	152.71	541.47	37.62	(1,506.87)
Owners of the company	297.84	256.10	171.19	553.94	78.40	(1,425.32)
Non-controlling interests	-	(12.47)	(18.48)	(12.47)	(40.78)	(81.55)
Earnings/(loss) per equity share (of Rs. 10/- each) (not annualised)						
a) Basic	0.96	0.85	0.55	1.81	0.25	(4.66)
b) Diluted	0.93	0.83	0.54	1.76	0.25	(4.66)
Paid up share capital (Face value Rs. 10/- each, fully paid)	1,363.36	1,363.36	1,363.03	1,363.36	1,363.03	1,363.36
Other equity						4,695.65



Unaudited Consolidated Balance Sheet as at September 30, 2023

(Amount in Rs. Million)

Particulars	As at	
	September 30, 2023	March 31, 2023
	Unaudited	Audited
Assets		
Non-current assets		
Property, plant and equipment	162.12	134.25
Goodwill	527.75	527.75
Other intangible assets	1,026.95	1,036.72
Right-of-use assets	1,161.27	825.91
Financial assets		
Other financial assets	1,221.01	790.00
Income tax assets (net)	8.94	40.87
Deferred tax assets (net)	5.37	-
Other non-current assets	10.37	4.27
Total non-current assets	4,123.78	3,359.77
Current assets		
Inventories	1,318.34	1,139.27
Financial assets		
Investments	2,821.47	2,600.38
Trade receivables	1,278.27	1,206.08
Cash and cash equivalents	163.66	82.55
Bank balances other than cash and cash equivalents	498.30	598.02
Other financial assets	431.68	335.81
Other current assets	496.25	342.27
Total current assets	7,007.97	6,304.38
Total assets	11,131.75	9,664.15
Equity and liabilities		
Equity		
Equity share capital	1,363.36	1,363.36
Instruments entirely in the nature of equity	17,929.36	17,929.36
Other equity	(12,611.97)	(13,233.71)
Equity attributable to equity holders of the parent	6,680.75	6,059.01
Non-controlling interest	-	-
Total equity	6,680.75	6,059.01
Non-current liabilities		
Financial liabilities		
Lease liabilities	1,029.23	739.38
Provisions	60.19	60.61
Deferred tax liabilities (net)	21.31	14.10
Total non-current liabilities	1,110.73	814.09
Current liabilities		
Financial liabilities		
Borrowings	-	36.09
Lease liabilities	162.89	146.43
Trade payables		
Total outstanding due of micro enterprises and small enterprises	101.71	86.59
Total outstanding due of creditors other than micro enterprises and small enterprises	2,656.64	1,880.13
Other financial liabilities	88.25	373.33
Provisions	53.40	40.34
Other current liabilities	208.02	188.76
Income tax liability (net)	69.36	39.38
Total current liabilities	3,340.27	2,791.05
Total liabilities	4,451.00	3,605.14
Total equity and liabilities	11,131.75	9,664.15



Unaudited Consolidated Statement of Cash Flows for the six months ended September 30, 2023

(Amount in Rs. Million)

Particulars	Six months ended	
	September 30, 2023	September 30, 2022
	Unaudited	Audited
Cash flow from operating activities:		
Profit/(loss) before tax	731.58	91.28
Non-cash adjustments to reconcile Profit/(loss) before tax to net cash flows:		
Depreciation of property, plant and equipment	21.20	9.09
Amortisation of intangible assets	9.78	37.88
Depreciation of right-of-use-assets	96.83	63.45
Expected credit loss allowance (allowance for bad and doubtful debts)	29.97	13.62
Provision for slow moving inventory	49.55	16.00
Loss on disposal of property, plant and equipment (net)	11.00	-
Provision for doubtful advances	-	8.00
Share based payments expenses (equity settled) (refer note 6(b))	57.07	125.51
Share based payments expenses (cash settled)	-	7.58
Fair value (gain)/loss on investments	(78.17)	(1.95)
Gain on sale of investments	(12.02)	(32.42)
Gain on lease modification	(24.14)	-
Interest income	(58.33)	(51.11)
Finance costs	32.61	30.66
Operating cash flow before working capital changes	866.93	317.59
Movement in working capital:		
(Increase) in Trade receivables	(102.16)	(705.67)
(Increase) in Other financial assets	(114.02)	(68.97)
Increase in Trade payables	791.63	572.63
(Decrease) in Financial liabilities	(27.78)	(48.19)
Increase in Provisions	12.51	19.68
(Increase) in Inventories	(228.62)	(578.79)
Increase in Other liabilities	19.27	25.34
(Increase) in Other assets	(153.97)	(161.64)
Cash flow generated from/(used in) operating activities	1,063.79	(628.02)
Income tax paid	(126.27)	(27.87)
Net cash flow generated from/(used in) operating activities [A]	937.52	(655.89)
Cash flow from Investing activities:		
Purchase of property, plant and equipment (including capital work in progress, capital advances and payable for capital goods)	(50.33)	(42.75)
Proceeds from sale of property, plant and equipment and intangible assets	2.58	-
Payment of initial direct costs on leases	(1.57)	-
Investment in bank deposits	(308.32)	(388.86)
Purchase of current investment	(638.12)	(296.20)
Redemption of current investment	507.23	1,300.31
Interest received	53.50	25.72
Acquisition of subsidiaries, net of cash acquired	-	(139.17)
Settlement of NCI Liability (refer note 6(b))	(230.08)	(4.63)
Net cash flow (used in)/generated from investing activities [B]	(665.11)	454.42
Cash flow from Financing activities:		
Repayment of current borrowings	-	(24.02)
Proceeds from issuance of equity shares, net of share issue expenses	-	48.35
Principal repayment of lease liabilities	(122.60)	(43.29)
Interest on lease liabilities	(28.64)	(25.23)
Finance cost paid	(3.97)	(5.43)
Net cash flows used in financing activities [C]	(155.21)	(49.62)
Net increase/ (decrease) in cash and cash equivalents [A+B+C]	117.20	(251.09)
Cash and cash equivalents at the beginning of the period	46.46	303.88
Less: Bank overdraft on date of acquisition during the period	-	(29.95)
Cash and cash equivalents at the end of the period	163.66	22.84
Components of cash and cash equivalents		
Balance with banks		
- On current accounts	161.32	93.63
- Cash in hand	2.34	1.07
Less: Bank overdraft	-	(71.86)
Total cash and cash equivalents	163.66	22.84



Notes to the Unaudited Consolidated Financial Results

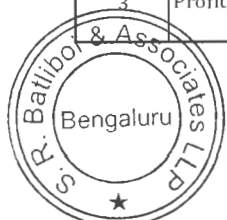
1. The above Consolidated Financial Results of Honasa Consumer Limited (the 'Holding Company') (formerly known as Honasa Consumer Private Limited) together with its subsidiaries (collectively the 'Group') have been prepared in accordance with the recognition and measurement principles laid down in the 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 Consolidated Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 22, 2023. The statutory auditors have carried out limited review of the above results.
2. The figures for the quarter ended September 30, 2022 are the derived balancing figures between audited figures in respect of six months ended September 30, 2022 and the audited figures of quarter ended June 30, 2022.
3. The figures for the six months ended September 30, 2023 are aggregate of quarter ended June 30, 2023 which have been subjected to audit and quarter ended September 30, 2023 which have been subjected to limited review.
4. Subsequent to the Balance Sheet date:
 - (a) The Holding Company has allotted 170,447,700 equity shares having face value of Rs. 10 each pursuant to the conversion of 13,213 Class-A to Class-F, 0.001% Non- Cumulative Compulsorily Convertible Preference Shares ("NCCCCPS") in the conversion ratio of 1:12,900 on October 03, 2023.
 - (b) The employees of the Holding Company have exercised 3,695,191 employee stock options pursuant to the balance sheet date and the Holding Company has allotted 3,695,191 equity shares of Rs 10 each thereon on October 10, 2023.
 - (c) The Holding Company has completed its Initial Public Offer (IPO) of 52,516,742 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 34,013 equity shares. The issue comprised of a fresh issue of 11,268,580 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. The Holding Company will provide an update on the utilisation of IPO proceeds towards the objects of the fresh issue effective next reporting period based on actual utilisation of funds. 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. Accordingly, the consolidated financial results for the quarter and six months ended September 30, 2023 are drawn up for the first-time in accordance with the SEBI listing regulations.
5. 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.
6. (a) The business of Just4kids Services Private Limited ("Momspresso") was acquired to expand content and influencer management capabilities and to strengthen content creation capabilities by enabling the access to a large and ready library of the relevant content of Momspresso. However, the performance and profitability of Momspresso was deteriorating with the business significantly underperforming vis-à-vis the business plan during the year ended March 31, 2023. Further the business synergies envisaged from the investment could not be realized despite best efforts of the management. Accordingly, the Group has accounted for an Impairment loss of Rs. 1,360.63 Million attributable to Goodwill, Rs 19.14 Million attributable to Software and Rs 167.20 Million attributable to trademarks and the same has been disclosed as an exceptional item during the year ended March 31, 2023.

(b) Pursuant to the Shareholders Agreement between the Holding Company and erstwhile shareholders of 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 current quarter, 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 during the current quarter. The Holding Company has also acquired the remaining stake in Momspresso on September 12, 2023 based on the Share Purchase Agreement entered on August 25, 2023 for a consideration of Rs. 230.08 Million.

7. Figures for unaudited standalone financial results of the Holding Company are as follows:

(Amount in Rs. Million)

S No.	Particulars	Quarter ended			Six months ended		Previous year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		Unaudited	Audited	Audited (refer note 2)	Unaudited (refer note 3)	Audited	Audited
1	Revenue from operations	4,601.93	4,261.37	3,866.71	8,863.30	6,796.21	13,948.03
2	Profit/(Loss) before tax	475.69	367.98	298.35	843.67	214.62	(1,072.84)
3	Profit/(Loss) after tax	377.38	276.03	220.39	653.41	157.79	(1,205.56)



8. On April 06, 2022, the Holding Company acquired 65.49% in Fusion Cosmeceutics Private Limited by virtue of Share Purchase and Share Subscription Agreement which is into the business of trading skin care and beauty products under the brand "Dr. Sheth's". The Holding Company acquired 861,308 equity shares of Rs 10 each and 373,306 0.001% Compulsorily Convertible Preference Shares of Rs 10 each at an aggregate consideration of Rs 141.23 Million and further, committed subscription amount of Rs. 100 Million which has been infused as on April 06, 2022. The Holding Company has further acquired the remaining stake of 34.51% for a consideration of Rs. 300 Million.
9. On June 23, 2022, the Holding Company incorporated Honasa Consumer General Trading L.L.C., a company based in UAE. The Holding Company subscribed to the share capital and invested an amount of Rs 2.34 Million during the year ended March 31, 2023.

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



Varun Alagh
Chairperson, Whole Time Director and CEO
DIN:07597289
Gurugram
November 22, 2023



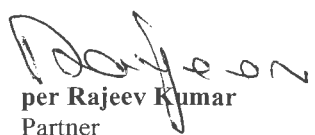
Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Honasa Consumer Limited
(formerly known as Honasa Consumer Private Limited)**

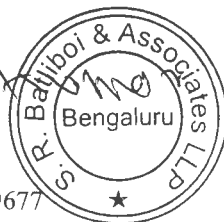
1. We have reviewed the accompanying statement of unaudited standalone financial results of Honasa Consumer Limited (formerly known as Honasa Consumer Private Limited) (the "Company") for the quarter ended September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 (the "Statement") 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. 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: 23213803BGXAPA9677



Place: Gurugram

Date: November 22, 2023



Honasa Consumer Limited (formerly known as Honasa Consumer Private Limited)

CIN: U74999DL2016PLC306016

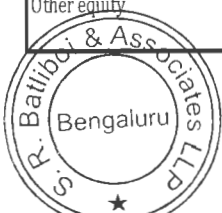
Registered office: Unit No - 404, 4th floor, City Centre, Plot No 05, Sector-12, Dwarka, New Delhi – 110075, India

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Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2023

(Amount in Rs. Million)

Particulars	Quarter ended			Six months ended		Previous year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	Unaudited	Audited	Audited (refer note 2)	Unaudited (refer note 3)	Audited	Audited
Income						
Revenue from operations	4,601.93	4,261.37	3,866.71	8,863.30	6,796.21	13,948.03
Other income	78.43	110.74	45.54	189.17	84.37	204.36
Total income	4,680.36	4,372.11	3,912.25	9,052.47	6,880.58	14,152.39
Expenses						
Purchases of traded goods	1,346.96	1,517.58	1,447.46	2,864.54	2,651.02	4,830.83
Increase in inventories of traded goods	75.31	(254.66)	(197.86)	(179.35)	(559.20)	(496.37)
Employee benefits expense	385.64	377.12	292.25	762.76	581.80	1,253.46
Depreciation and amortization expenses	45.13	47.20	35.42	92.33	63.73	147.80
Finance costs	13.85	10.17	15.06	24.02	23.31	50.57
Other expenses	2,439.78	2,306.72	2,013.92	4,746.50	3,890.00	7,859.37
Change in fair value of derivative liability (refer note 6(b))	(102.00)	-	7.65	(102.00)	15.30	54.20
Total expenses	4,204.67	4,004.13	3,613.90	8,208.80	6,665.96	13,699.86
Profit/(loss) before exceptional items and taxes	475.69	367.98	298.35	843.67	214.62	452.53
Exceptional items						
Impairment loss on investment in subsidiary (refer note 6(a))	-	-	-	-	-	(1,525.37)
Profit/(loss) before tax	475.69	367.98	298.35	843.67	214.62	(1,072.84)
Tax expenses						
Current tax	104.11	76.59	72.58	180.70	72.58	160.00
Deferred tax charge	(5.78)	15.34	5.38	9.56	(15.75)	(27.28)
Total tax expenses	98.33	91.93	77.96	190.26	56.83	132.72
Profit/(loss) after tax	377.36	276.05	220.39	653.41	157.79	(1,205.56)
Other comprehensive income/(loss) (OCI)						
Items that will not be reclassified subsequently to profit or loss:						
Re-measurement gains/(losses) on defined benefit plans	4.33	(3.96)	1.83	0.37	2.06	3.13
Income tax effect on above	(1.09)	1.00	(0.46)	(0.09)	(0.52)	(0.79)
Total other comprehensive income/(loss), net of tax	3.24	(2.96)	1.37	0.28	1.54	2.34
Total comprehensive income/(loss)	380.60	273.09	221.76	653.69	159.33	(1,203.22)
Earnings/(loss) per equity share (of Rs. 10/- each) (not annualised)						
a) Basic	1.23	0.90	0.71	2.13	0.51	(3.93)
B) Diluted	1.20	0.88	0.70	2.08	0.50	(3.93)
Paid up share capital (Face value Rs. 10/- each, fully paid)	1,363.36	1,363.36	1,363.03	1,363.36	1,363.03	1,363.36
Other equity						4,905.42



Unaudited Standalone Balance Sheet as at September 30, 2023

(Amount in Rs. Million)

Particulars	As at	
	September 30, 2023	March 31, 2023
	Unaudited	Audited
Assets		
Non-current assets		
Property, plant and equipment	79.20	72.43
Goodwill	8.89	8.89
Other intangible assets	524.40	526.50
Right-of-use assets	942.11	656.24
Investments in subsidiaries	1,521.08	1,333.90
Financial assets		
(i) Loans	120.00	105.00
(ii) Other financial assets	1,115.65	702.16
Income tax assets (net)	-	33.43
Other non-current assets	9.76	4.27
Total non-current assets	4,321.09	3,442.82
Current assets		
Inventories	1,201.90	1,055.85
Financial assets		
(i) Investments	2,687.43	2,584.94
(ii) Trade receivables	1,195.02	1,058.80
(iii) Cash and cash equivalents	140.32	16.72
(iv) Bank balances other than cash and cash equivalents	494.98	517.52
(v) Other financial assets	424.46	314.04
Other current assets	411.58	299.95
Total current assets	6,555.69	5,847.82
Total assets	10,876.78	9,290.64
Equity and liabilities		
Equity		
Equity share capital	1,363.36	1,363.36
Instruments entirely in the nature of equity	17,929.36	17,929.36
Other equity	(12,313.18)	(13,023.94)
Equity attributable to equity holders of the parent	6,979.54	6,268.78
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	830.53	588.03
Provisions	53.57	43.52
Deferred tax liabilities (net)	14.88	5.23
Total non-current liabilities	898.98	636.78
Current liabilities		
Financial liabilities		
(i) Borrowings	-	36.09
(ii) Lease liabilities	122.06	110.38
(iii) Trade payables		
Total outstanding due of micro enterprises and small enterprises	96.32	45.06
Total outstanding due of creditors other than micro enterprises and small enterprises	2,432.62	1,756.48
(iv) Other financial liabilities	79.00	197.23
Provisions	50.54	38.21
Other current liabilities	148.36	162.25
Income tax liability (net)	69.36	39.38
Total current liabilities	2,998.26	2,385.08
Total liabilities	3,897.24	3,021.86
Total equity and liabilities	10,876.78	9,290.64



Unaudited Standalone Statement of Cash Flows for the six months ended September 30, 2023

(Amount in Rs. Million)

Particulars	Six months ended	
	September 30, 2023	September 30, 2022
	Unaudited	Audited
Cash flow from operating activities:		
Profit/(loss) before tax	843.67	214.62
Non-cash adjustments to reconcile Profit/(loss) before tax to net cash flows:		
Depreciation of property, plant and equipment	13.91	5.52
Amortisation of intangible assets	2.10	13.66
Depreciation of right-of-use-assets	76.32	44.55
Expected credit loss allowance (allowance for bad and doubtful debts)	29.62	13.14
Provision for slow moving inventory	48.30	16.00
Provision for doubtful advances	-	8.00
Share based payments expenses (equity settled)	99.98	105.91
Share based payments expenses (cash settled)	-	7.58
Fair value (gain)/loss on investments	(77.28)	(1.56)
Change in fair valuation of derivative liability (refer note 6(b))	(102.00)	15.30
Gain on sale of investments	(11.59)	(32.18)
Gain on lease modification	(24.14)	-
Interest income	(60.48)	(43.04)
Finance costs	24.02	23.31
Operating cash flow before working capital changes	862.43	390.81
Movement in working capital:		
(Increase) Trade receivables	(165.85)	(665.86)
(Increase) in Other financial assets	(148.73)	(26.38)
Increase in Trade payables	727.40	546.38
(Decrease) in Financial liabilities	(12.22)	(32.54)
Increase in Provisions	22.75	13.37
(Increase) in Inventories	(194.35)	(559.20)
(Decrease) / Increase in Other liabilities	(13.89)	16.16
(Increase) in Other assets	(111.65)	(159.01)
Cash flow generated from/(used in) operating activities	965.89	(476.27)
Income tax paid	(117.40)	(23.48)
Net cash flow generated from/(used in) operating activities [A]	848.49	(499.75)
Cash flow from Investing activities:		
Purchase of property, plant and equipment (including capital work in progress, capital advances and payable for capital goods)	(30.18)	(31.64)
Payment of Initial direct costs on leases	(1.57)	-
Investment in subsidiaries (refer note 6(b))	(230.08)	(495.87)
Loan to subsidiaries	(15.00)	-
Investment in bank deposits	(370.10)	(159.94)
Purchase of current investment	(520.85)	(296.20)
Redemption of current investment	507.23	1,228.38
Interest received	59.56	43.01
Net cash flow (used in) /generated from investing activities [B]	(600.99)	287.74
Cash flow from Financing activities:		
Proceeds from issuance of equity shares, net of share issue expenses	-	48.35
Principal repayment of lease liabilities	(63.79)	(21.97)
Interest on lease liabilities	(21.93)	(20.13)
Finance cost paid	(2.09)	(3.16)
Net cash flows (used in)/generated from financing activities [C]	(87.81)	3.09
Net increase/ (decrease) in cash and cash equivalents [A+B+C]	159.69	(208.92)
Cash and cash equivalents at the beginning of the period	(19.37)	246.27
Cash and cash equivalents at the end of the period	140.32	37.35
Components of cash and cash equivalents		
Balance with banks		
- On current accounts	138.56	36.71
- Cash in hand	1.76	0.64
Total cash and cash equivalents	140.32	37.35



Notes to the Unaudited Standalone Financial Results

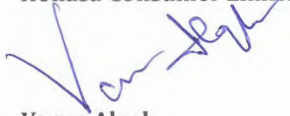
1. The above Standalone Financial Results of Honasa Consumer Limited (the 'Company') (formerly known as Honasa Consumer Private Limited) have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as prescribed under 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 Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 22, 2023. The statutory auditors have carried out limited review of the above results.
2. The figures for the quarter ended September 30, 2022, are the derived balancing figures between audited figures in respect of six months ended September 30, 2022, and the audited figures of quarter ended June 30, 2022.
3. The figures for the six months ended September 30, 2023, are aggregate of quarter ended June 30, 2023, which have been subjected to audit and quarter ended September 30, 2023, which have been subjected to limited review.
4. Subsequent to the Balance Sheet date:
 - (a) The Company has allotted 170,447,700 equity shares having face value of Rs. 10 each pursuant to the conversion of 13,213 Class-A to Class-F, 0.001% Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPs") in the conversion ratio of 1:12,900 on October 03, 2023.
 - (b) The employees of the Company have exercised 3,695,191 employee stock options pursuant to the balance sheet date and the Company has allotted 3,695,191 equity shares of Rs 10 each thereon on October 10, 2023.
 - (c) The Company has completed its Initial Public Offer (IPO) of 52,516,742 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 34,013 equity shares. The issue comprised of a fresh issue of 11,268,580 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. The Company will provide an update on the utilisation of IPO proceeds towards the objects of the fresh issue effective next reporting period based on actual utilisation of funds. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 07, 2023. Accordingly, the standalone financial results for the quarter and six months ended September 30, 2023 are drawn up for the first-time in accordance with the SEBI listing regulations.
5. 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.
6. (a) The business of Just4kids Services Private Limited ("Momspresso") was acquired to expand content and influencer management capabilities and to strengthen content creation capabilities by enabling the access to a large and ready library of the relevant content of Momspresso. However, the performance and profitability of Momspresso was deteriorating with the business significantly underperforming vis-à-vis the business plan during the year ended March 31, 2023. Further the business synergies envisaged from the investment could not be realized despite best efforts of the management. Accordingly, the management has accounted for an Impairment loss of Rs. 1,525.37 Million on investment in Just4Kids Services Private Limited and the same has been disclosed as an exceptional item during the year ended March 31, 2023.

(b) Pursuant to the Shareholders Agreement between the Company and erstwhile shareholders of Just4kids Services Private Limited, 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 as at March 31, 2023. 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. Subsequently, 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 during the current quarter. During the current quarter, the Company has acquired the remaining stake in Just4Kids Services Private Limited on September 12, 2023 based on the Share Purchase Agreement entered on August 25, 2023 for a consideration of Rs. 230.08 Million. Accordingly, 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 during the current quarter on completion of balance stake acquisition.
7. On April 06, 2022, the Company acquired 65.49% in Fusion Cosmeceutics Private Limited by virtue of Share Purchase and Share Subscription Agreement which is into the business of trading skin care and beauty products under the brand "Dr. Sheth's". The Company acquired 861,308 equity shares of Rs 10 each and 373,306 0.001% Compulsorily Convertible Preference Shares of Rs 10 each at an aggregate consideration of Rs 141.23 Million and further, committed subscription amount of Rs. 100 Million which has been infused as on April 06, 2022. The Company has further acquired the remaining stake of 34.51% for a consideration of Rs. 300 Million.



8. On June 23, 2022, the Company incorporated Honasa Consumer General Trading L.L.C., a company based in UAE. The Company subscribed to the share capital and invested an amount of Rs 2.34 Million during the year ended March 31, 2023.

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



Varun Alagh
Chairperson, Whole Time Director and CEO
DIN:07597289
Gurugram
November 22, 2023

