

**Limited review report on Unaudited Quarterly Consolidated Financial Results and Consolidated Year – To - Date Financial Results of Kaya Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**The Board of Directors of  
Kaya Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Kaya Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 31 December 2019 and year-to-date results for the period from 1 April 2019 to 31 December 2019 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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. 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 issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

<b>Name of the Entity</b>	<b>Relationship</b>
KME Holdings Pte. Ltd.	Subsidiary
Kaya Middle East FZE <i>(formerly known as Kaya Middle East FZC)</i>	Step-down subsidiary
Kaya Middle East DMCC	Subsidiary
Iris Medical Centre LLC	Step-down subsidiary
Minal Medical Centre LLC	Step-down subsidiary
Minal Medical Centre LLC – Sharjah <i>(formerly known as Minal Specialized Clinic Dermatology LLC)</i>	Step-down subsidiary

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**Kaya Limited**

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 the 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of five (5) subsidiaries (including step-down subsidiaries) included in the Statement, whose interim financial information reflect total revenues of Rs 5,049.13 lakhs and Rs. 15,018.63 lakhs, total net (loss) after tax of Rs 275.04 lakhs and Rs 910.28 lakhs and total comprehensive loss of Rs. 274.77 lakhs and Rs. 909.47 lakhs, for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019, respectively, as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports 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 included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

7. The Statement includes the interim financial information of one (1) subsidiary which has not been reviewed, whose interim financial information reflects total revenue of Nil and Nil, total net (loss) after tax of Rs. 3.23 lakhs and Rs. 5.71 lakhs and total comprehensive loss of Rs. 3.23 lakhs and Rs. 5.71 lakhs for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019, respectively, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

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

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022



**Rajesh Mehra**

*Partner*

Membership No: 103145

UDIN: 20103145AAAAAD9629

Mumbai  
29 January 2020

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2019	30 September 2019	31 December 2018	31 December 2019	31 December 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	(a) Revenue from operations	10,385.13	10,141.58	10,496.27	30,570.38	31,654.14	42,037.80
	(b) Other operating income	21.92	11.25	-	43.59	-	48.92
	(c) Other income	54.52	87.86	52.42	345.16	281.65	415.77
	<b>Total income</b>	<b>10,461.57</b>	<b>10,240.69</b>	<b>10,548.69</b>	<b>30,959.13</b>	<b>31,935.79</b>	<b>42,502.49</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	394.00	215.20	365.78	1,121.70	1,080.51	1,618.84
	(b) Purchase of stock-in-trade	88.29	88.58	61.61	218.89	85.97	143.78
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(106.11)	187.65	68.48	(22.25)	98.40	(156.92)
	(d) Employee benefits expense	3,705.18	3,783.98	3,421.86	11,141.66	10,828.91	14,350.20
	(e) Finance costs	383.56	393.38	75.55	1,177.35	206.95	283.87
	(f) Depreciation and amortisation expense	1,833.38	1,797.90	678.73	5,352.73	2,073.27	2,908.31
	(g) Impairment loss	-	-	-	-	-	527.48
	(h) Consumption of stores and spares	1,523.04	1,330.75	1,388.99	4,214.06	4,300.61	5,867.64
	(i) Payment to consultants	558.56	517.96	547.82	1,595.52	1,678.21	2,242.47
	(j) Other expenses	2,597.75	2,646.08	3,955.94	8,013.01	12,001.56	16,647.02
	<b>Total expenses</b>	<b>10,977.65</b>	<b>10,961.48</b>	<b>10,564.76</b>	<b>32,812.67</b>	<b>32,354.39</b>	<b>44,432.69</b>
3	(Loss) before tax (1 - 2)	(516.08)	(720.79)	(16.07)	(1,853.54)	(418.60)	(1,930.20)
4	Tax expense:						
	(a) Current tax	-	-	-	-	(258.98)	-
	(b) Deferred tax	1,559.88	212.71	-	2,106.66	-	-
	(c) Excess provision for earlier years	-	-	-	-	-	(555.00)
	Total tax expense / (credit)	1,559.88	212.71	-	2,106.66	(258.98)	(555.00)
5	<b>Net (Loss) for the period (3 - 4)</b>	<b>(2,075.96)</b>	<b>(933.50)</b>	<b>(16.07)</b>	<b>(3,960.20)</b>	<b>(159.62)</b>	<b>(1,375.20)</b>
6	Share of loss of joint venture	-	-	(29.46)	-	(88.33)	(182.10)
7	<b>Net (Loss) for the period (5 +/- 6)</b>	<b>(2,075.96)</b>	<b>(933.50)</b>	<b>(45.53)</b>	<b>(3,960.20)</b>	<b>(247.95)</b>	<b>(1,557.30)</b>
8	Other comprehensive income (gross of tax)						
	(a) Items that will not be reclassified to profit or loss	(5.26)	(5.26)	(10.15)	(15.77)	(30.44)	(21.03)
	Tax on above	-	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Tax on above	-	-	-	-	-	-
	Total other comprehensive income (net of income tax)	(5.26)	(5.26)	(10.15)	(15.77)	(30.44)	(21.03)
9	Total comprehensive income (7+8)	<b>(2,081.22)</b>	<b>(938.76)</b>	<b>(55.67)</b>	<b>(3,975.97)</b>	<b>(278.39)</b>	<b>(1,578.33)</b>
10	Net (loss) attributable to:						
	- Owners	(2,093.42)	(948.03)	(66.13)	(4,006.12)	(294.63)	(1,596.41)
	- Non Controlling Interest	17.46	14.53	20.60	45.92	46.68	39.11
	Total comprehensive income attributable to:						
	- Owners	(2,098.68)	(953.29)	(76.28)	(4,021.89)	(325.07)	(1,617.44)
	- Non Controlling Interest	17.46	14.53	20.60	45.92	46.68	39.11
11	Paid-up equity share capital	1,306.41	1,306.41	1,306.41	1,306.41	1,306.41	1,306.41
	Face value per equity share	10.00	10.00	10.00	10.00	10.00	10.00
12	Earnings per equity share (of Rs. 10 each) (not annualised):						
	(a) Basic	(16.02)	(7.26)	(0.51)	(30.67)	(2.26)	(12.23)
	(b) Diluted	(16.02)	(7.26)	(0.51)	(30.67)	(2.26)	(12.23)
	See accompanying notes to the consolidated financial results						




**Notes to the Kaya Limited Consolidated financial results:**

1. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
2. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 29 January 2020. These financial results have been subject to limited review by the statutory auditors of the company and are available on the company's website -
3. The Group has single operating segment viz. "Skin and Hair Care Business" in terms of Ind AS 108 - "Operating Segments"
4. The Group has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases, modified retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. This has resulted in recognising a right-of-use asset (an amount adjusted by prepaid lease rent of Rs 446.73 lakhs) of Rs 13,279.10 lakhs and a corresponding lease liability of Rs 14,712.64 lakhs by adjusting retained earnings by Rs 1,880.27 lakhs as at 1 April 2019. In the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
5. The Joint agreement executed between Kaya Middle East, DMCC ("KME DMCC"), a wholly owned subsidiary of Kaya Limited and AL BEDA Medical Services K.S.C.C., Kuwait has been terminated with effect from 31 January 2019.
6. Tax expense for the quarter and nine months ended 31 December 2019 includes impact of Taxation Laws Amendment Ordinance 2019 as applicable to the Group. Based on internal and external factors, the Group has reversed the deferred tax assets of Rs 1,559.88 lakhs recognised in earlier years.

Place : Mumbai

Date: 29 January 2020



Harsh Mariwala

Chairman and Managing Director

