

**Limited Review Report on unaudited consolidated financial results of Kaya Limited for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023, pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of Kaya Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Kaya Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (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 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 following entities :

<b>Name of the Entity</b>	<b>Relationship</b>
Kaya Limited	Holding Company
KME Holding Pte.Ltd.	Subsidiary Company
Kaya Middle East DMCC	Subsidiary Company
Kaya Middle East FZE	Step-down Subsidiary Company
Iris Medical Centre LLC	Step-down Subsidiary Company
Minal Medical Center LLC-Dubai (Upto 4 October	Step-down Subsidiary Company

Registered Office:

2023)	
M M C Skin Clinic L.L.C. (Upto 4 October 2023)	Step-down Subsidiary Company
Kaya Skin Care Clinic Sole Proprietorship L.L.C.	Step-down Subsidiary Company
Kaya Skin Care Clinic L.L.C.	Step-down Subsidiary Company
Kaya Trading L.L.C.	Step-down Subsidiary Company
Kaya Beauty Clinic Sole Proprietorship L.L.C.	Step-down Subsidiary Company
Kaya Skin Medical Center L.L.C.	Step-down Subsidiary Company
Kaya Beauty Clinic LLC SP ( w.e.f. 31 May 2023 )	Step-down Subsidiary Company
Kaya Medical Complex LLC ( w.e.f. 11 July 2023 )	Step-down Subsidiary Company
Sakr AL Majd International Company ( w.e.f. 28 September 2023 )	Step-down Subsidiary Company

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 draw attention to Note 4 to the consolidated financial results, which explains the management's assessment of going concern assumption. The Group has incurred losses during the current financial period and the prior years and has a negative net worth and working capital position as of 30 September 2023. Based on the financial support from the promoter group along with funds available with the Group as of 30 September 2023 and planned rights issue, the management believes that Group will be able to meet its obligations within the next 12 months as and when they fall due. Accordingly, the management has prepared the Statement on a going concern basis.  
  
Further, as detailed in Annexure 1, the auditors of subsidiaries (including step-down subsidiaries) have, without modifying their opinion, reported that the entities/ some of these entities have incurred loss during the period ended 30 September 2023 and/or as at the reporting date, had accumulated losses, net current liabilities and/or deficit in equity funds and that the respective shareholder has agreed to continue with the operations and the shareholder along with the ultimate parent company have agreed to provide continuing financial support to enable the respective entity to discharge its liabilities as and when they fall due. Accordingly, the financial statements of the respective entities have been prepared on a going concern basis.
7. Our opinion is not modified in respect of the above matters.

**Limited Review Report (Continued)**

**Kaya Limited**

8. We did not review the interim financial statements of thirteen (13) Subsidiaries including step-down included in the Statement, whose interim financial statements reflects total assets (before consolidation adjustments) of Rs. 15,879.96 lakhs as at 30 September 2023 and total revenues (before consolidation adjustments) of Rs 5,007.85 Lakhs and Rs. 10,771.56 Lakhs, total net (loss) after tax (before consolidation adjustments) of Rs.1,160.45 lakhs and Rs. 3,774.13 lakhs and total comprehensive income (before consolidation adjustments) of Rs. 1,192.54 lakhs and Rs 3,838.31 lakhs, for the quarter ended 30 September 2023 and for the period from 1 April 2023 to 30 September 2023 respectively, and Company's share of cash flows (net) of Rs 212.17 lakhs for the period from 1 April 2023 to 30 September 2023. as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaryies, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

9. The Statement includes the interim financial statements of one (1) Subsidiary which has not been reviewed, whose interim financial statements reflect total assets (before consolidation adjustments) of Rs. 8,318.76 lakhs as at 30 September 2023 and total revenues (before consolidation adjustments) of Rs . Nil and Rs. Nil , total net (loss) after tax (before consolidation adjustments) of Rs 1,998.00 lakhs and Rs. 2,001.14 lakhs and total comprehensive income (before consolidation adjustments) of Rs. 1,998.00 lakhs and Rs 2,001.14 lakhs. for the quarter ended 30 September 2023 and for the period from 1 April 2023 to 30 September 2023 respectively, and Company's share of cash flows (net) of Rs 6.82 lakhs for the period from 1 April 2023 to 30 September 2023. as considered in the Statement. According to the information and explanations given to us by the Parent's management, these interim financial statements is not material to the Group.

Our conclusion is not modified in respect of this matter.

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

*Chartered Accountants*

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

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**Jaclyn Desouza**

*Partner*

Mumbai

31 October 2023

Membership No.: 124629

UDIN:23124629BGYTJD7766

**Annexure I** List of entities included in unaudited consolidated financial results.

(Rs in lakhs)

Sr No.	Component	Profit/ (loss) for the six months ended 30 September 2023	Accumulated losses	(Deficit) in Equity Funds	Net Current (Liabilities)	Date of review opinion	Auditor
1	Kaya Middle East DMCC	(272.61)	(4,936.16)	(2,389.49)	(2,681.01)	30 October 2023	PKF
2	Iris Medical Centre LLC and	5.71	(149.67)	(98.79)	(172.21)	27 October 2023	PKF
3	M M C Skin Clinic L.L.C.	(71.97)	(180.76)	(119.89)	(235.45)	23 October 2023	PKF
4	Sakr AL Majd International Company	(10.98)	(10.98)	99.73	5.11	27 October 2023	PKF
5	Kaya Middle East FZE	(739.36)	(18,860.67)	(4,646.86)	(3,016.35)	30 October 2023	PKF
6	Kaya Skin Care Clinic Sole Proprietorship L.L.C.	(345.11)	(348.82)	(329.39)	(1,143.41)	27 October 2023	PKF
7	Kaya Skin Care Clinic L.L.C.	(112.42)	(116.13)	(94.64)	(1,123.24)	27 October 2023	PKF
8	Kaya Trading L.L.C.	(14.49)	(18.20)	4.17	4.17	27 October 2023	PKF
9	Kaya Beauty Clinic Sole Proprietorship L.L.C.	(110.64)	(114.35)	(92.84)	(158.64)	27 October 2023	PKF
10	Kaya Skin Medical Center L.L.C.	(4.09)	(7.80)	14.66	(46.71)	27 October 2023	PKF
11	Kaya Beauty Clinic LLC SP	(42.15)	(42.15)	(19.90)	(57.57)	27 October 2023	PKF
12	Kaya Medical Complex LLC	(27.10)	(27.10)	(4.71)	(67.12)	27 October 2023	PKF

**Kaya Limited**  
**Consolidated Balance Sheet as at 30 September 2023**

(Rs. in Lakhs)

Particulars	30 Sep 2023 (Unaudited)	31 Mar 2023 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,322.82	4,952.78
Capital work-in-progress	-	0.99
Right-of-use asset	10,353.30	9,465.04
Goodwill	7,182.93	7,098.07
Intangible assets	129.43	167.98
Intangible assets under development	261.88	228.92
Financial assets		
Investment	-	1.00
Other financial assets	789.98	705.28
Income tax assets	4.76	4.68
Other non-current assets	170.61	114.53
	<b>25,215.71</b>	<b>22,739.27</b>
<b>Current assets</b>		
Inventories	3,213.14	2,947.43
Financial assets		
Investments	2,205.49	2,100.88
Trade receivables	320.47	353.96
Cash and cash equivalents	760.08	2,517.44
Bank balances other than Cash and cash equivalents as above	5.35	2,879.54
Loans	68.30	47.06
Other financial assets	2,936.36	1,267.61
Other current assets	1,591.62	2,142.76
	<b>11,100.81</b>	<b>14,256.68</b>
<b>TOTAL ASSETS</b>	<b>36,316.52</b>	<b>36,995.95</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,306.41	1,306.41
Other equity	(13,705.73)	(11,680.76)
	<b>(12,399.32)</b>	<b>(10,374.35)</b>
Non-controlling interest	39.51	67.30
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	11,962.81	14,208.87
Lease liabilities	7,629.14	6,771.42
Provisions	1,482.87	1,458.96
	<b>21,074.82</b>	<b>22,439.25</b>
<b>Current liabilities</b>		
Financial liabilities		
Short term Borrowings	3,689.63	-
Lease liabilities	3,800.35	3,887.08
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	194.98	520.09
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	4,751.17	4,495.75
Other financial liabilities	449.09	1,901.32
Other current liabilities	13,938.73	13,202.66
Short-term provisions	777.56	856.85
	<b>27,601.51</b>	<b>24,863.75</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>36,316.52</b>	<b>36,995.95</b>

**Kaya Limited**  
**Statement of Consolidated Financial Results for the quarter and half year ended 30 September 2023**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2023	30 June 2023	30 September 2022	30 September 2023	30 September 2022	31 March 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	(a) Revenue from operations	10,062.24	10,568.82	9,130.16	20,631.06	18,413.11	37,673.34
	(b) Other income	104.81	89.52	94.09	194.33	201.13	450.83
	<b>Total income</b>	<b>10,167.05</b>	<b>10,658.34</b>	<b>9,224.25</b>	<b>20,825.39</b>	<b>18,614.24</b>	<b>38,124.17</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	195.65	296.17	166.62	491.82	415.92	872.71
	(b) Purchase of stock-in-trade	91.30	165.17	54.13	256.47	81.34	250.73
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	12.03	(20.86)	82.60	(8.83)	225.36	213.35
	(d) Employee benefits expense	4,090.91	4,132.95	4,269.78	8,223.86	9,389.60	17,353.58
	(e) Finance costs	870.75	799.50	611.83	1,670.25	1,264.56	3,590.07
	(f) Depreciation and amortisation expense	1,588.07	1,613.10	1,486.60	3,201.17	2,936.50	6,012.76
	(g) Impairment losses	-	-	-	-	-	41.81
	(h) Impairment of goodwill	-	-	-	-	-	3,275.46
	(i) Consumption of stores and spares	1,554.98	1,614.37	1,434.13	3,169.35	2,801.15	6,023.13
	(j) Other expenses	2,927.80	3,095.87	2,770.82	6,023.67	5,711.88	12,116.94
	<b>Total expenses</b>	<b>11,331.49</b>	<b>11,696.27</b>	<b>10,876.51</b>	<b>23,027.76</b>	<b>22,826.31</b>	<b>49,750.54</b>
3	<b>(Loss) before tax (1 - 2)</b>	<b>(1,164.44)</b>	<b>(1,037.93)</b>	<b>(1,652.26)</b>	<b>(2,202.37)</b>	<b>(4,212.07)</b>	<b>(11,626.37)</b>
4	Tax expense:						
	(a) Current tax	-	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-	-
	Total tax expense	-	-	-	-	-	-
5	<b>(Loss) for the period (3 - 4)</b>	<b>(1,164.44)</b>	<b>(1,037.93)</b>	<b>(1,652.26)</b>	<b>(2,202.37)</b>	<b>(4,212.07)</b>	<b>(11,626.37)</b>
6	Other comprehensive income / (loss)						
	(a) Items that will not be reclassified to profit or loss	(31.81)	(32.37)	(23.72)	(64.18)	(47.44)	(129.49)
	Tax on above	-	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	(141.36)	136.00	181.20	(5.36)	427.34	360.77
	Tax on above	-	-	-	-	-	-
	Total other comprehensive income/(loss)	<b>(173.17)</b>	<b>103.63</b>	<b>157.48</b>	<b>(69.54)</b>	<b>379.90</b>	<b>231.28</b>
7	<b>Total comprehensive income / (loss) for the period (5 + 6)</b>	<b>(1,337.61)</b>	<b>(934.30)</b>	<b>(1,494.78)</b>	<b>(2,271.91)</b>	<b>(3,832.17)</b>	<b>(11,395.09)</b>
8	Net (loss) attributable to:						
	- Owners of the Company	(1,144.45)	(1,029.35)	(1,655.78)	(2,173.80)	(4,231.31)	(11,646.75)
	- Non Controlling Interest	(19.99)	(8.58)	3.52	(28.57)	19.24	20.38
	Total comprehensive income attributable to :						
	- Owners of the Company	(1,317.62)	(925.71)	(1,498.30)	(2,243.34)	(3,851.41)	(11,415.47)
	- Non Controlling Interest	(19.99)	(8.58)	3.52	(28.57)	19.24	20.38
9	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
10	Earnings per equity share (of Rs. 10 each) (not annualised):						
	(a) Basic	(8.76)	(7.88)	(12.67)	(16.64)	(32.39)	(89.15)
	(b) Diluted	(8.76)	(7.88)	(12.67)	(16.64)	(32.39)	(89.15)
	See accompanying notes to the consolidated financial results						

**Kaya Limited**  
**Consolidated Statement of Cash Flows for the period ended 30 September 2023**

	(Rs. in lakhs)	
	Period ended 30 September 2023	Period ended 30 September 2022
<b>A Cash Flow from Operating Activities:</b>		
Loss before tax	(2,202.37)	(4,259.51)
Adjustments:		
Depreciation and amortisation expense	3,201.17	2,936.50
Impairment of goodwill	-	-
Employee share-based payment expenses	15.62	149.48
Liabilities written back to the extent no longer required (net)	(12.31)	(30.30)
Provision for doubtful debts	32.36	29.38
Finance costs	1,670.25	1,264.56
Loss / (Profit) on sale / discarding of property, plant and equipment (net)	(0.62)	0.61
Interest income	(10.61)	(52.71)
Unrealised foreign exchange (gain)/loss	2.26	(5.88)
Net gain on sale of current investments	(74.06)	(47.97)
Unwinding of discount on security deposits	(59.97)	(62.43)
Advances written off during the year	0.98	16.60
Lease rent concessions	-	(1.66)
<b>Operating profit before working capital changes</b>	<b>2,562.70</b>	<b>(63.33)</b>
<b>Changes in working capital:</b>		
(Increase) in Inventories	(265.71)	(423.72)
(Increase) / Decrease in Trade and Other Receivables	(76.85)	44.59
Decrease / (Increase) in other assets	513.61	(513.04)
(Increase) in loans	(21.24)	(18.87)
(Increase) in financial asset	(57.86)	(34.51)
(Decrease) / Increase in Other financial liabilities	(247.82)	1,602.13
Increase in Other current liabilities	993.07	2,122.01
(Decrease) / Increase in Provisions	(118.50)	56.08
Increase in Trade and Other Payable	124.04	662.48
<b>Cash generated from operations</b>	<b>3,405.44</b>	<b>3,433.82</b>
Income taxes paid (net of refund)	(0.08)	(1.39)
<b>Net Cash generated from Operating Activities (A)</b>	<b>3,405.36</b>	<b>3,432.43</b>
<b>B Cash Flow from Investing Activities:</b>		
Acquisition of property, plant and equipment	(2,795.26)	(728.00)
Proceeds from sale of property, plant and equipment	1.47	3.51
Proceeds from sale of investments	7,132.09	8,270.18
Purchase of investments	(7,162.64)	(7,175.11)
Interest income received	8.37	(0.93)
Investment in bank deposits (having original maturity more than 3 months)	388.65	(1,295.40)
Dividend paid to Minority Shareholders	-	(24.40)
<b>Net Cash (used in) / generated from Investing Activities (B)</b>	<b>(2,427.32)</b>	<b>(950.15)</b>
<b>C Cash Flow from Financing Activities:</b>		
Proceeds from loans and borrowings	1,300.00	1,019.49
Repayment of loans and borrowings	-	(346.54)
Repayment of lease liabilities including interest	(2,671.84)	(2,800.17)
Finance cost	(824.97)	(178.45)
<b>Net Cash (used in) Financing Activities (C)</b>	<b>(2,196.81)</b>	<b>(2,305.67)</b>
<b>D Effect of exchange difference on translation of foreign currency cash and cash equivalents</b>	<b>(6.58)</b>	<b>(100.03)</b>
<b>E Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A+B+C+D)</b>	<b>(1,225.35)</b>	<b>76.58</b>
Cash and cash equivalents at the beginning of the year	1,985.43	1,985.43
<b>Cash and cash equivalents at the close of the period</b>	<b>760.08</b>	<b>2,062.01</b>
<b>Reconciliation of cash and cash equivalents as per the statement of cash flow</b>		
	As at 30 September 2023	As at 30 September 2022
Cash and Cash equivalent as per above comprises of the following:		
Balances with banks in current accounts	681.34	1,940.89
Cash on hand	78.74	121.12
Fixed Deposit with Bank (original maturity less than 3 months)	-	-
<b>Cash and cash equivalents as per Consolidated Statement of cash flows</b>	<b>760.08</b>	<b>2,062.01</b>
<b>The movement of borrowings is as follows:</b>		
	Period ended 30 September 2023	Period ended 30 September 2022
Opening borrowings	14,208.87	8,613.79
Proceeds from loans and borrowings	1,300.00	1,019.49
Repayment of loans and borrowings	-	346.54
Non-cash adjustment	143.57	116.80
<b>Borrowing at the close of the period</b>	<b>15,652.44</b>	<b>9,403.54</b>

**Kaya Limited**

**Notes to the 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 31 October 2023. These Consolidated results have been audited by the statutory auditors of the Company who have issued an unmodified review report. These financial results are available on the Company's website - <http://www.kaya.in>.
3. The Group has single operating segment viz. "Skin Care and Hair Care Business" in terms of Ind AS 108 - "Operating Segments".
4. The Group has evaluated the impact of existing and anticipated effects of various factors on its business operations and financial position on the basis of significant assumptions as per its review of current indicators of future economic conditions and taken necessary steps. Based on internal review, the Group would require funds for its operations and future development plans. The Group continues to enjoy financial support from the promoter group and has received funding in the current period and in the earlier years. Based on its Annual Operating Plan which has been approved by the Board of Directors, the Group will be able to meet its funding requirements including the need to fund its overseas operations the Board of Directors at their meeting on 24 October 2023 approved to issue shares on right basis to existing shareholders for an aggregate amount not exceeding Rs 30,000 lakhs. As per the management, the Group has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, in addition to the funds expected to be generated from the operating activities. The Group is closely monitoring the developments and based on the aforesaid assessment, Management believes that as per estimates made prudently, the Group will continue to operate as a going concern i.e., continue its operations and will be able to discharge its liabilities and realise the carrying amount of its assets for the next twelve months. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results
5. During the previous quarter, the Holding Company had received an order from the Employees' Provident Fund Organisation Regional Office relating to earlier years towards additional liability in respect of various allowances to the employees not considered as part of wages. The Holding Company is challenging the order and has filed Appeal u/s 7-I before the Hon CGIT and High court to set aside rejection order passed u/s 7B. Pending outcome of the proceedings, the Holding Company on a conservative and best estimate basis, made provision of Rs 2,036.16 lakhs towards the said liability during the year ended 31 March 2023 and Rs 52.85 lakhs towards interest for the half year ended 30 September 2023.
6. During the quarter on 24 August 2023, Kaya Middle East DMCC ("DMCC"), the material subsidiary of the Company has entered into definitive agreements to sell its entire holding in Minal Medical Centre LLC ("MMC") and M M C Skin Clinic LLC ("MMCSC") to Dr. Minal Patwardhan, Existing partner, who holds 28.33% in both the said entities at sale consideration aggregating to AED 3.7 million which is approved by Shareholders on 4 October 2023.
7. The losses of a step down subsidiary company of the Group have fully eroded its net worth. While the step down subsidiary company continues to take steps to revamp its business operations, the gestation period to achieve the desired level of turnaround is taking longer than previously envisaged. Considering the aforesaid, the Group has recognised an impairment of goodwill of Rs 3,275.46 lakhs during the year ended 31 March 2023.
8. Previous period figures have been re-grouped/ re-classified wherever necessary, to conform to current period's classification.

**Place : Mumbai**

**Date: 31 October 2023**

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**Chairman and Managing Director**