

# B S R & Co. LLP

Chartered Accountants

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## Limited Review Report on unaudited standalone financial results of Kaya Limited for the quarter ended 30 June 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 standalone financial results of Kaya Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2023 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report 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.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting 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 5 to the standalone financial results, which explains the management's assessment of going concern assumption. The Company has incurred losses during the current financial period and the prior years and has a negative working capital position as of 30 June 2023. Based on the financial support from the promoter group along with funds available with the Company as of 30 June 2023, the management believes that Company 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.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AA6-8181) with effect from October 14, 2013

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B S R & Co. LLP

**Limited Review Report (Continued)**  
**Kaya Limited**

Our opinion is not modified in respect of this matter

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No.:101248WW-100022



**Jaclyn Desouza**  
*Partner*

Mumbai  
27 July 2023

Membership No.: 124629  
UDIN:23124629BGYTHR6476

**Kaya Limited**
**Statement of Standalone Financial Results for the quarter ended 30 June 2023**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended
		30 June 2023	31 March 2023	30 June 2022	31 March 2023
		(Unaudited)	(Refer Note 8)	(Unaudited)	(Audited)
1	<b>Income</b>				
	(a) Revenue from operations	4,973.47	4,390.10	4,262.21	17,831.07
	(b) Other income	84.68	102.26	105.63	385.51
	<b>Total income</b>	<b>5,058.15</b>	<b>4,492.36</b>	<b>4,367.84</b>	<b>18,216.58</b>
2	<b>Expenses</b>				
	(a) Cost of materials consumed	296.16	234.31	249.30	872.71
	(b) Purchase of stock-in-trade	165.17	108.23	27.21	250.73
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(20.85)	(69.21)	142.76	213.36
	(d) Employee benefits expense	1,260.42	744.21	2,400.29	6,183.11
	(e) Finance costs	598.35	1,575.04	575.79	3,230.98
	(f) Depreciation and amortisation expense	864.67	781.05	697.88	2,939.92
	(g) Impairment losses on Investment (refer note 7)	-	1,070.00	-	4,013.63
	(g) Impairment losses on Property, Plant and Equipment	-	41.81	-	41.81
	(h) Consumption of stores and spares (consumables)	632.45	651.24	433.50	2,336.03
	(i) Other expenses	1,716.44	1,767.67	1,709.47	6,682.88
	<b>Total expenses</b>	<b>5,512.81</b>	<b>6,904.35</b>	<b>6,236.20</b>	<b>26,765.16</b>
3	<b>(Loss) before tax (1 - 2)</b>	<b>(454.66)</b>	<b>(2,411.99)</b>	<b>(1,868.36)</b>	<b>(8,548.58)</b>
4	Tax expense:				
	(a) Current tax	-	-	-	-
	(b) Deferred tax	-	-	-	-
	Total tax expense	-	-	-	-
5	<b>(Loss) for the period (3 - 4)</b>	<b>(454.66)</b>	<b>(2,411.99)</b>	<b>(1,868.36)</b>	<b>(8,548.58)</b>
6	Other comprehensive (loss) (gross of tax)				
	(a) Items that will not be reclassified to profit or loss	(0.28)	22.84	(7.99)	(1.13)
	Tax on above	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-
	Tax on above	-	-	-	-
	Total other comprehensive income / (loss) (net of income tax)	<b>(0.28)</b>	<b>22.84</b>	<b>(7.99)</b>	<b>(1.13)</b>
7	<b>Total comprehensive income / (loss) for the period (5 + 6)</b>	<b>(454.94)</b>	<b>(2,389.15)</b>	<b>(1,876.35)</b>	<b>(8,549.71)</b>
8	Paid-up equity share capital	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
9	Earnings per equity share (of Rs. 10 each) (not annualised):				
	(a) Basic	(3.48)	(18.46)	(14.30)	(65.44)
	(b) Diluted	(3.48)	(18.46)	(14.30)	(65.44)
	See accompanying notes to the standalone financial results				

## Kaya Limited

### Notes to the Standalone 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 27 July 2023. These standalone financial results have been subject to limited review by the statutory auditors of the Company who have issued unmodified review report. These financial results are available on the company's website - <http://www.kaya.in>.

3. The Company has single operating segment viz. "Skin Care and Hair Care Business" in terms of Ind AS 108 - "Operating Segments".

4. Following are the particulars of Employee Stock Options pursuant to various schemes:

Particulars	Quarter ended 30 June 2023	Quarter ended 30 June 2022
Balance at the beginning of the quarter	7,44,830	6,50,034
Granted during the quarter	-	1,21,000
Forfeited / lapsed during the quarter	10,560	15,749
Exercised during the quarter	-	-
Outstanding at the end of the quarter	7,34,270	7,55,285

5. The Company 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 Company would require funds for its operations and future development plans. The Company continues to enjoy financial support from the promoter group and has also received funding from them during the previous year. Based on its Annual Operating Plan which has been approved by the Board of Directors, the Company will be able to meet its funding requirements including the need to fund its overseas operations. As per the management, the Company 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 Company is closely monitoring the developments and based on the aforesaid assessment, Management believes that as per estimates made prudently, the Company 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.

6. During the previous year, the 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 Company is challenging the order and has filed Appeal u/s 7-1 before the Hon CGIT and High court to set aside rejection order passed u/s 7B. Pending outcome of the proceedings, the 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 26.43 lakhs towards interest for the quarter ended 30 June 2023.

7. The losses of a subsidiary and a step down subsidiary company have fully eroded their net worth. While the companies continue to take steps to revamp their business operations, the gestation period to achieve the desired level of turnaround is taking longer than previously envisaged. Considering the aforesaid, the Company has recognised an impairment of Rs 4,013.63 lakhs during the year ended 31 March 2023 for diminution in value of the said investments.

8. The figures for the quarter ended 31 March 2023, are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year, which were subjected to review.

Place : Mumbai

Date: 27 July 2023



Harsh Mariwala  
  
Chairman and Managing Director