

**June 29, 2020**

To,  
**BSE Limited**  
Market Operations Department,  
1st Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001  
**BSE Scrip Code: 539276**

**National Stock Exchange of India Limited**  
'Exchange Plaza', 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra(E), Mumbai 400051  
**NSE Symbol: KAYA**

**Subject: revision to the Outcome of Board Meeting held today**

Dear Sir/ Madam,

This is in continuation to the outcome of the meeting submitted by the Company today, we wish to inform you that in the Consolidated Balance Sheet as on March 31, 2020, there is a printing error in the '**Current Liabilities**' section, wherein the 'Other Current Liabilities' is printed as 718.31 Lakhs instead of INR 10,898.99 Lakhs and 'Short Term Provisions' is printed as INR 10,898.99 Lakhs instead of INR 718.31. Lakhs.

We hereby submit the revised results wherein the only change is in the aforesaid two sub categories. This change does not in any way affect any other item of the balance sheet or profit & loss account of the Company.

Please find enclosed a copy of the following:

1. Standalone and Revised Consolidated Audited Financial Results for the quarter and year ended March 31, 2020;
2. Audit Report by the Statutory Auditors of the Company on the aforesaid Audited Financial Results.

Thanking you.

For **Kaya Limited**,

**Sd/-**  
**Nitika Dalmia**  
**Company Secretary &**  
**Compliance Officer**

Encl: A/a

# B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

## **Independent Auditors' Report**

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

#### **Report on the audit of the Standalone Annual Financial Results**

#### **Opinion**

We have audited the accompanying standalone annual financial results of Kaya Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2020.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

#### **Emphasis of Matter**

We draw attention to Note 6 to the standalone annual financial results, which describes the possible effects of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of this matter.

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. AAB-8181)  
with effect from October 14, 2013

Registered Office:  
5th Floor, Lodha Excelus  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011, India

## **Independent Auditors' Report (*Continued*)**

### **Kaya Limited**

#### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls;

## **Independent Auditors' Report (*Continued*)**

### **Kaya Limited**

#### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (*Continued*)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors;
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

Mumbai  
29 June 2020

**Rajesh Mehra**  
*Partner*  
Membership No: 103145  
UDIN: 20103145AAAABL8071

<b>Kaya Limited</b>		
<b>Standalone Balance Sheet as at 31 March 2020</b>		
	<b>(Rs. in Lakhs)</b>	
<b>Particulars</b>	<b>31 March 2020 (Audited)</b>	<b>31 March 2019 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,211.82	4,142.88
Capital work-in-progress	-	83.75
Right-of-use assets	8,032.80	-
Intangible assets	30.00	181.49
Intangible assets under development	48.91	-
Financial assets		
Investment in subsidiaries	9,962.12	9,451.11
Loans	1,528.62	1,314.19
Other financial assets	2.07	1.96
Income tax assets	8.17	387.36
Deferred tax assets	-	2,106.66
Other non-current assets	36.43	470.17
	<b>22,860.94</b>	<b>18,139.57</b>
<b>Current assets</b>		
Inventories	2,962.23	3,401.84
Financial assets		
Security deposits		
Investments	1,878.46	1,442.87
Trade receivables	641.73	553.51
Cash and cash equivalents	77.86	417.20
Bank balances other than above	48.56	43.43
Loans	788.03	925.30
Other financial assets	345.05	307.65
Other current assets	729.47	785.84
	<b>7,471.39</b>	<b>7,877.64</b>
<b>TOTAL ASSETS</b>	<b>30,332.33</b>	<b>26,017.21</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,306.41	1,306.41
Other equity	10,188.75	14,985.96
	<b>11,495.16</b>	<b>16,292.37</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	904.71	-
Lease liabilities	7,159.26	-
Long-term provisions	149.72	112.61
	<b>8,213.69</b>	<b>112.61</b>
<b>Current liabilities</b>		
Financial liabilities		
Lease liabilities	2,195.04	-
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	158.24	105.86
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	1,192.39	1,467.29
Other financial liabilities	7.20	31.54
Other current liabilities	6,918.66	7,847.89
Short-term provisions	151.95	159.65
	<b>10,623.48</b>	<b>9,612.23</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30,332.33</b>	<b>26,017.21</b>

Kaya Limited  
Statement of Standalone Financial Results for the quarter and year ended 31 March 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		(Audited) (Refer Note 8)	(Unaudited)	(Audited) (Refer Note 8)	(Audited)	(Audited)
1	<b>Income</b>					
	(a) Revenue from operations	4,462.96	5,479.71	5,173.67	20,434.36	20,981.82
	(b) Other income	466.54	76.50	152.56	855.81	491.23
	<b>Total income</b>	<b>4,929.50</b>	<b>5,556.21</b>	<b>5,326.23</b>	<b>21,290.17</b>	<b>21,473.05</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	311.77	310.99	559.88	1,433.47	1,618.84
	(b) Purchase of stock-in-trade	47.28	88.29	57.81	266.17	143.78
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	50.02	(23.10)	(276.87)	27.77	(156.92)
	(d) Employee benefits expense	1,123.12	1,416.49	1,253.75	5,384.55	5,279.29
	(e) Finance costs	298.22	302.18	-	1,206.37	-
	(f) Depreciation and amortisation expense (refer note no. 6)	1,380.25	1,039.91	440.70	4,450.11	1,527.33
	(g) Consumption of stores and spares	532.84	652.40	739.76	2,283.49	2,689.40
	(h) Payment to consultants	459.52	558.56	564.26	2,055.04	2,242.47
	(i) Other expenses	1,320.45	1,352.53	2,400.01	5,470.57	9,079.57
	<b>Total expenses</b>	<b>5,523.47</b>	<b>5,698.25</b>	<b>5,739.30</b>	<b>22,577.54</b>	<b>22,423.76</b>
3	<b>Loss before tax (1 - 2)</b>	<b>(593.97)</b>	<b>(142.04)</b>	<b>(413.07)</b>	<b>(1,287.37)</b>	<b>(950.71)</b>
4	Tax expense:					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax (refer note no. 7)	-	1,559.88	-	2,106.66	-
	(c) Tax for earlier years/(reversal of provisions)	-	-	(296.02)	-	(555.00)
	Total tax expense	-	<b>1,559.88</b>	<b>(296.02)</b>	<b>2,106.66</b>	<b>(555.00)</b>
5	<b>Loss for the period (3 - 4)</b>	<b>(593.97)</b>	<b>(1,701.92)</b>	<b>(117.05)</b>	<b>(3,394.03)</b>	<b>(395.71)</b>
6	Other comprehensive income (gross of tax)					
	(a) Items that will not be reclassified to profit or loss	(26.22)	(5.53)	(9.51)	(42.80)	(22.10)
	Tax on above	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-
	Tax on above	-	-	-	-	-
	Total other comprehensive income (net of income tax)	<b>(26.22)</b>	<b>(5.53)</b>	<b>(9.51)</b>	<b>(42.80)</b>	<b>(22.10)</b>
7	<b>Total comprehensive income for the period (5 + 6)</b>	<b>(620.19)</b>	<b>(1,707.45)</b>	<b>(126.56)</b>	<b>(3,436.83)</b>	<b>(417.81)</b>
8	Paid-up equity share capital	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
9	Earnings per equity share (of Rs. 10 each) (not annualised):					
	(a) Basic	(4.55)	(13.03)	(0.90)	(25.98)	(3.03)
	(b) Diluted	(4.55)	(13.03)	(0.90)	(25.98)	(3.03)
	See accompanying notes to the standalone financial results					

**Kaya Limited**  
**Standalone Statement of Cash Flows for the year ended 31 March 2020**

(Rs. in lakhs)

	31 March 2020	31 March 2019
<b>A Cash Flow from Operating Activities:</b>		
<b>Loss before tax</b>	<b>(1,287.37)</b>	<b>(950.71)</b>
Adjustments:		
Depreciation and amortisation expense	4,450.11	1,527.33
Employee share-based payment expenses	36.53	28.09
Liabilities written back to the extent no longer required (net)	(52.89)	-
Provision for doubtful debts	-	2.73
Finance costs	1,206.37	-
(Profit) / loss on sale / discarding of property, plant and equipment (net)	(1.49)	0.49
Interest income	(165.83)	(46.22)
Unrealised foreign exchange (gain)/loss	(27.74)	51.26
Net gain on sale of current investments	(95.61)	(138.89)
Unwinding of discount on security deposits	(214.90)	(125.59)
Advances written off during the year	55.78	44.48
Net gain on lease modification	(245.73)	-
Provision for doubtful advances	-	0.08
<b>Operating profit before working capital changes</b>	<b>3,657.23</b>	<b>393.05</b>
<b>Changes in working capital:</b>		
Decrease / (Increase) in inventories	439.61	(24.92)
(Increase) in trade and other receivables	(60.48)	(144.45)
Decrease / (Increase) in other assets	36.79	(253.95)
(Increase) in loans	(67.51)	(267.84)
(Increase) in financial assets	(20.68)	(70.71)
(Decrease) / Increase in other current liabilities	(929.23)	57.66
Increase in provisions	8.71	24.27
(Decrease) in trade and other payables	(219.63)	(52.72)
<b>Cash (used in)/generated from operations</b>	<b>2,844.81</b>	<b>(339.61)</b>
Income taxes paid (net of refund)	379.19	184.00
<b>Net Cash (used in)/generated from Operating Activities (A)</b>	<b>3,224.00</b>	<b>(155.61)</b>
<b>B Cash Flow from Investing Activities:</b>		
Acquisition of property, plant and equipment	(473.51)	(801.65)
Proceeds from sale of investments	16,683.92	704.32
Acquisition of investments	(17,023.90)	-
Investment in subsidiary	(511.01)	-
Proceeds from sale of property, plant and equipment	4.40	2.14
Interest income received	149.00	82.36
Investment in bank deposits (having original maturity more than 3 months)	(5.13)	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,176.23)</b>	<b>(12.83)</b>
<b>C Cash Flow from Financing Activities:</b>		
Proceeds from issue of equity shares	-	236.95
Proceeds from loans and borrowings	1,200.00	-
Repayment of lease liabilities including interest	(3,508.82)	-
Finance costs paid	(78.29)	-
<b>Net Cash generated from / (used in) Financing Activities (C)</b>	<b>(2,387.11)</b>	<b>236.95</b>
<b>D Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(339.34)</b>	<b>68.51</b>
Cash and cash equivalents at the beginning of the year	417.20	348.69
<b>Cash and cash equivalents at the close of the year</b>	<b>77.86</b>	<b>417.20</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
	<b>31 March 2020</b>	<b>31 March 2019</b>
Cash and cash equivalent as per above comprises of the following:		
Balances with banks in current accounts	57.98	323.84
Cash on hand	19.88	93.36
<b>Cash and cash equivalents as per Standalone statement of cash flows</b>	<b>77.86</b>	<b>417.20</b>

**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 on 29 June 2020. These financial results have been audited by the statutory auditors of the Company who have issued an unmodified audit 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 31 March 2020	Quarter ended 31 March 2019
<b>Balance at the beginning of the quarter</b>	61,456	1,06,658
Granted during the quarter	-	-
Forfeited / lapsed during the quarter	5,882	28,236
Exercised during the quarter	-	-
<b>Outstanding at the end of the quarter</b>	55,574	78,422

5. The Company 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 Company 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 assets (an amount adjusted by prepaid lease rent of Rs 446.73 lakhs) of Rs 10,088.61 lakhs and a corresponding lease liability of Rs 11,351.56 lakhs by adjusting retained earnings by Rs 1,709.68 lakhs as at 1 April 2019. In the statement of financial results for the year ended March 31, 2020, operating lease expenses which were recognized as other expenses in previous periods are now recognized as depreciation expense for the right-of-use asset and finance cost for interest on lease liability. The adoption of this standard does not have any significant impact on Profit after tax for the year ended March 31 2020.

6. The beauty, wellness and retail industry as a whole has been adversely impacted by the spread of COVID-19. The Company faces significant headwinds due to COVID-19 which have impacted the operations of the Company adversely starting from the month of March 2020 onwards particularly by way of clinic closures due to complete lockdown. This unprecedented disruption has had an adverse impact on the quarterly performance and continue to impact the business and our financial results. In this crisis, our priorities are to protect the employees and their families from COVID-19, besides our customers visiting our clinics and the society associated with it. We do not anticipate material risk to business prospects over the medium to long term.

The Company has begun restoration of clinic operations from first week of June and has been opening the clinics, as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of regulatory authorities.

The Company has evaluated impact on its business operations and financial position based on its review of current indicators of future economic conditions. Overall business is based on fixed cost model, so based on profitability and future potential of the clinics, the Company has decided to shut down around 23 clinics located in India and has provided for accelerated depreciation of certain Property, plant and equipment amounting to Rs 317.60 lakhs. Also, Management has made the best estimate in relation to the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for the current year, including assessment for future periods in respect of certain significant estimates and judgements in respect of certain financial and non-financial assets, and on the going concern assumption. The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets as disclosed in these financial results, other than the clinic shut down/accelerated depreciation referred above.

Also, the management has taken measures to mitigate any adverse impact on the business, which inter alia includes:

- Reduction in salaries at various levels across the organization
- Reduction in fixed overheads for the period of the lockdown
- Initiation of discussions for reduction/ waiver of rent for its various clinics during lockdown and renegotiation for the future

Based on internal review, the Company would require funds for its operations and is evaluating options to raise funds. The Company continues to enjoy support from the promoter group and has also received additional funding post year-end. Accordingly, Management is confident that the Company will continue to operate as a going concern.

The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. 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.

7. As at 31 March 2018, the Company had recognised deferred tax assets on tax losses including unabsorbed depreciation and other items on the basis of reasonable certainty that the same will be utilised against taxable profits in future. Based on internal and external factors, the Company has reassessed and reversed the deferred tax assets of Rs 2,106.66 lakhs recognised in earlier years.

8. The figures of last quarter, 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.

9. Previous period's figures have been regrouped/reclassified, wherever, required, to make them comparable with the figures for the current period.

Place : Mumbai

Harsh Mariwala

Date: 29 June 2020

Chairman and Managing Director



# B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF KAYA LIMITED

#### Report on the audit of the Consolidated Annual Financial Results

#### Opinion

We have audited the accompanying consolidated annual financial results of Kaya Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities

Name of the Entity	Relationship
KME Holdings Pte. Ltd.	Subsidiary
Kaya Middle East FZE (formerly known as Kaya Middle East FZC)	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 (formerly known as Minal Specialized Clinic Dermatology LLC)	Step-down subsidiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

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. AAB-8181)  
with effect from October 14, 2013

Registered Office:  
5th Floor, Lodha Excelus  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011, India

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

### **Emphasis of Matter Paragraph**

We draw attention to Note 5 to the consolidated annual financial results, which describes the possible effects of uncertainties relating to COVID-19 pandemic on the Group’s financial performance as assessed by the management.

Our opinion is not modified in respect of this matter.

### **Management’s and Board of Directors’ Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors;
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial results / financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**  
*(Continued)*

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other Matters**

(a) The consolidated annual financial results include the audited financial results of six subsidiaries (including step-down subsidiaries), whose financial statements reflect total assets (before consolidation adjustments) of Rs 30,811.09 lakhs as at 31 March 2020, total revenue (before consolidation adjustments) of Rs. 19,376.34 lakhs and total net (loss) after tax (before consolidation adjustments) of Rs 1,943.17 lakhs and net cash outflows of Rs 791.90 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us as stated in the paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

(b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

Mumbai  
29 June 2020

**Rajesh Mehra**  
Partner  
Membership No: 103145  
UDIN: 20103145AAAABM7302

<b>Kaya Limited</b>		
<b>Consolidated Balance Sheet as at 31 March 2020</b>		
	<b>(Rs. in Lakhs)</b>	
<b>Particulars</b>	<b>31 March 2020 (Audited)</b>	<b>31 March 2019 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	8,420.46	10,212.02
Capital work-in-progress	41.28	84.40
Right-of-use asset	12,251.35	-
Goodwill	9,232.81	9,653.84
Intangible assets	384.01	690.12
Intangible assets under development	48.91	-
Financial assets		
Loans	918.79	1,647.16
Other financial assets	2.07	1.96
Income tax assets	8.17	387.36
Deferred tax assets	-	2,106.66
Other non-current assets	98.82	573.75
	<b>31,406.67</b>	<b>25,357.27</b>
<b>Current assets</b>		
Inventories	3,600.22	4,320.49
Financial assets		
Investments	1,878.46	1,442.87
Trade receivables	513.77	539.13
Cash and cash equivalents	730.66	1,861.90
Bank balances other than above	48.56	43.43
Loans	1,101.76	638.25
Other financial assets	45.88	181.00
Other current assets	1,554.62	2,443.35
	<b>9,473.93</b>	<b>11,470.42</b>
<b>TOTAL ASSETS</b>	<b>40,880.60</b>	<b>36,827.69</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,306.41	1,306.41
Other equity	6,857.84	14,473.00
	<b>8,164.25</b>	<b>15,779.41</b>
Non-controlling interest	67.14	107.12
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	2,217.36	1,899.27
Lease liabilities	10,300.24	-
Long-term provisions	1,250.38	1,012.92
	<b>13,767.98</b>	<b>2,912.19</b>
<b>Current liabilities</b>		
Financial liabilities		
Lease liabilities	3,450.06	-
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	158.24	105.86
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	2,898.33	3,263.46
Other financial liabilities	757.29	1,626.33
Other current liabilities	10,898.99	12,528.85
Short-term provisions	718.31	504.47
	<b>18,881.22</b>	<b>18,028.97</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>40,880.60</b>	<b>36,827.69</b>

Kaya Limited  
Statement of Consolidated Financial Results for the quarter and year ended 31 March 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		(Audited) (Refer Note 8)	(Unaudited)	(Audited) (Refer Note 8)	(Audited)	(Audited)
1	<b>Income</b>					
	(a) Revenue from operations	8,707.82	10,407.05	10,432.58	39,321.79	42,086.72
	(b) Other income	516.47	54.52	134.12	861.63	415.77
	<b>Total income</b>	<b>9,224.29</b>	<b>10,461.57</b>	<b>10,566.70</b>	<b>40,183.42</b>	<b>42,502.49</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	311.77	394.00	538.33	1,433.47	1,618.84
	(b) Purchase of stock-in-trade	47.28	88.29	57.81	266.17	143.78
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	50.02	(106.11)	(255.32)	27.77	(156.92)
	(d) Employee benefits expense	3,422.36	3,705.18	3,521.29	14,564.02	14,350.20
	(e) Finance costs	496.74	383.56	76.92	1,674.09	283.87
	(f) Depreciation and amortisation expense (refer note no. 5)	2,173.05	1,833.38	835.04	7,525.78	2,908.31
	(g) Impairment loss	28.47	-	527.48	28.47	527.48
	(h) Consumption of stores and spares	1,228.40	1,523.04	1,567.03	5,442.46	5,867.64
	(i) Payment to consultants	459.52	558.56	564.26	2,055.04	2,242.47
	(j) Other expenses	2,457.10	2,597.75	4,645.46	10,470.11	16,647.02
	<b>Total expenses</b>	<b>10,674.71</b>	<b>10,977.65</b>	<b>12,078.30</b>	<b>43,487.38</b>	<b>44,432.69</b>
3	<b>(Loss) before share of net loss of investment accounted for using equity method and tax (1 - 2)</b>	<b>(1,450.42)</b>	<b>(516.08)</b>	<b>(1,511.60)</b>	<b>(3,303.96)</b>	<b>(1,930.20)</b>
	Share of loss of joint venture accounted for using equity method	-	-	(93.77)	-	(182.10)
4	<b>Loss before tax</b>	<b>(1,450.42)</b>	<b>(516.08)</b>	<b>(1,605.37)</b>	<b>(3,303.96)</b>	<b>(2,112.30)</b>
5	Tax expense:					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax (refer note no. 7)	-	1,559.88	-	2,106.66	-
	(c) Tax for earlier years/(reversal of provisions)	-	-	(296.02)	-	(555.00)
	<b>Total tax expense</b>	<b>-</b>	<b>1,559.88</b>	<b>(296.02)</b>	<b>2,106.66</b>	<b>(555.00)</b>
6	<b>Loss for the period (4 - 5)</b>	<b>(1,450.42)</b>	<b>(2,075.96)</b>	<b>(1,309.35)</b>	<b>(5,410.62)</b>	<b>(1,557.30)</b>
7	Other comprehensive income (gross of tax)					
	(a) Items that will not be reclassified to profit or loss	(67.72)	(5.26)	9.41	(83.49)	(21.03)
	Tax on above	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-
	Tax on above	-	-	-	-	-
	<b>Total other comprehensive income (net of income tax)</b>	<b>(67.72)</b>	<b>(5.26)</b>	<b>9.41</b>	<b>(83.49)</b>	<b>(21.03)</b>
8	<b>Total comprehensive income for the period (6 + 7)</b>	<b>(1,518.14)</b>	<b>(2,081.22)</b>	<b>(1,299.94)</b>	<b>(5,494.11)</b>	<b>(1,578.33)</b>
9	Net (loss) attributable to:					
	- Owners of the Company	(1,436.23)	(2,093.42)	(1,301.78)	(5,442.35)	(1,596.41)
	- Non Controlling Interest	(14.19)	17.46	(7.57)	31.73	39.11
	Total comprehensive income attributable to :					
	- Owners of the Company	(1,503.95)	(2,098.68)	(1,292.37)	(5,525.84)	(1,617.44)
	- Non Controlling Interest	(14.19)	17.46	(7.57)	31.73	39.11
10	Paid-up equity share capital	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
11	Earnings per equity share (of Rs. 10 each) (not annualised):					
	(a) Basic	(10.99)	(16.02)	(9.97)	(41.66)	(12.23)
	(b) Diluted	(10.99)	(16.02)	(9.97)	(41.66)	(12.23)
	See accompanying notes to the consolidated financial results					

**Kaya Limited**  
**Consolidated Statement of Cash Flows for the year ended 31 March 2020**

	(Rs. in lakhs)	
	31 March 2020	31 March 2019
<b>A Cash Flow from Operating Activities:</b>		
<b>Loss before tax</b>	(3,303.96)	(2,112.30)
Adjustments:		
Depreciation and amortisation expense	7,525.78	3,435.79
Impairment loss	28.47	-
Employee share-based payment expenses	41.47	35.19
Liabilities written back to the extent no longer required (net)	(52.89)	-
Provision for doubtful debts	-	2.73
Finance cost	1,674.09	283.87
(Profit)/Loss on sale / discarding of property, plant and equipment (net)	(1.49)	0.40
Interest income	(126.21)	(15.71)
Profit on sale of current investments	(95.61)	(138.89)
Unwinding of discount on security deposits	(277.75)	(147.30)
Advances written off during the year	55.78	44.48
Unrealised foreign exchange (gain)/loss	(27.74)	-
Net gain on lease modification	(245.73)	0.08
Provision for doubtful advances	-	-
<b>Operating profit before working capital changes</b>	<b>5,194.21</b>	<b>1,388.34</b>
<b>Changes in working capital:</b>		
Decrease / (Increase) in Inventories	720.27	(3.06)
Decrease / (Increase) in Trade and Other Receivables	53.10	(170.64)
Decrease in other assets	353.78	524.72
Decrease / (Increase) in loans	281.03	(246.33)
Decrease / (Increase) in financial assets	135.01	(84.46)
Decrease / (Increase) in Other financial liabilities	(839.59)	402.79
Decrease / (Increase) in Other current liabilities	(1,629.86)	424.90
Decrease / (Increase) in Provisions	388.84	(111.56)
(Decrease) in trade and other payables	(309.86)	(134.06)
<b>Cash generated from operations</b>	<b>4,346.93</b>	<b>1,990.64</b>
Income taxes paid (net of refund)	379.19	184.00
<b>Net Cash generated from Operating Activities (A)</b>	<b>4,726.12</b>	<b>2,174.64</b>
<b>B Cash Flow from Investing Activities:</b>		
Acquisition of property, plant and equipment	(917.31)	(3,270.69)
Proceeds from sale of property, plant and equipment	4.40	(94.48)
Proceeds from sale of investments	16,683.92	704.32
Acquisition of investments	(17,023.90)	-
Interest income received	126.21	15.71
Investment in bank deposits (having original maturity more than 3 months)	(5.13)	(17.58)
Dividend paid to Minority Shareholders	(84.22)	(102.37)
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,216.03)</b>	<b>(2,765.09)</b>
<b>C Cash Flow from Financing Activities:</b>		
Proceeds from issue of equity shares	-	243.29
Repayment of loans and borrowings	(586.62)	544.30
Proceeds from loans and borrowings	1,200.00	-
Repayment of lease liabilities including interest	(5,056.69)	-
Finance costs paid	(249.52)	(283.87)
<b>Net Cash generated from / (used in) Financing Activities (C)</b>	<b>(4,692.83)</b>	<b>503.72</b>
<b>D Effect of exchange difference on translation of foreign currency cash and cash equivalents</b>	<b>51.51</b>	<b>(25.65)</b>
<b>E Net Increase in Cash and Cash Equivalents (A+B+C+D)</b>	<b>(1,131.24)</b>	<b>(112.37)</b>
Cash and cash equivalents at the beginning of the year	1,861.90	1,974.27
<b>Cash and cash equivalents at the close of the year</b>	<b>730.66</b>	<b>1,861.90</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
	<b>31 March 2020</b>	<b>31 March 2019</b>
Cash and cash equivalent as per above comprises of the following:		
Balances with banks in current accounts	697.92	1,672.56
Cash on hand	32.74	189.34
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	<b>730.66</b>	<b>1,861.90</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 29 June 2020. These financial results have been audited by the statutory auditors of the Company who have issued an unmodified audit 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 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 beauty, wellness and retail industry as a whole has been adversely impacted by the spread of COVID-19. The Group faces significant headwinds due to COVID-19 which have impacted the operations of the Group adversely starting from the month of March 2020 onwards particularly by way of clinic closures due to complete lockdown. This unprecedented disruption has had an adverse impact on the quarterly performance and continue to impact the business and our financial results. In this crisis, our priorities are to protect the employees and their families from COVID-19, besides our customers visiting our clinics and the society associated with it. We do not anticipate material risk to business prospects over the medium to long term.

The Group has begun restoration of clinic operations in UAE from second fortnight of May 2020 and in India from first week of June and has been opening the clinics, as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of regulatory authorities.

The Group has evaluated impact on its business operations and financial position based on its review of current indicators of future economic conditions. Overall business is based on fixed cost model, so based on profitability and future potential of the clinics, the Holding Company has decided to shut down around 23 clinics located in India and has provided for accelerated depreciation of certain Property, plant and equipment amounting to Rs 317.60 lakhs. Also, Management has made the best estimate in relation to the duration and severity of these consequences, as well as their impact on the financial position and results of the Group for the current year, including assessment for future periods in respect of certain significant estimates and judgements in respect of certain financial and non-financial assets, and on the going concern assumption. The Group believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets as disclosed in these financial results, other than the clinic shut down/accelerated depreciation referred above.

Also, the management has taken measures to mitigate any adverse impact on the business, which inter alia includes:

- Reduction in salaries at various levels across the organization
- Reduction in fixed overheads for the period of the lockdown
- Initiation of discussions for reduction/ waiver of rent for its various clinics during lockdown and renegotiation for the future

Based on internal review, the Group would require funds for its operations and is evaluating options to raise funds. The Group continues to enjoy support from the promoter group and has also received additional funding post year-end. Accordingly, Management is confident that the Group will continue to operate as a going concern.

The Group is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. 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. 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.
7. As at 31 March 2018, the Holding Company had recognised deferred tax assets on tax losses including unabsorbed depreciation and other items on the basis of reasonable certainty that the same will be utilised against taxable profits in future. Based on internal and external factors, the Holding Company has reassessed and reversed the deferred tax assets of Rs 2,106.66 lakhs recognised in earlier years.
8. The figures of last quarter, 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.
9. Previous period's figures have been regrouped/reclassified, wherever, required, to make them comparable with the figures for the current period.

**Place : Mumbai**

**Harsh Mariwala**

**Date: 29 June 2020**

**Chairman and Managing Director**