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Limited review report on Unaudited Quarterly Standalone Financial Results and Standalone 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 standalone financial results of Kaya Limited ('the Company') for the quarter ended 30 September 2019 and year-to-date results for the period from 1 April 2019 to 30 September 2019 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Company's management and approved by the 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 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

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



Rajesh Mehra

Partner

Membership No: 103145

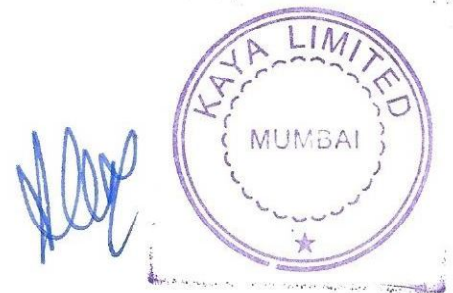
UDIN: 19103145AAAADZ7779

Mumbai
24 October 2019

Kaya Limited
Statement of Standalone Financial Results for the quarter and half year ended 30 September 2019

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	5,337.30	4,911.15	5,208.68	10,248.45	10,316.72	20,932.90
	(b) Other operating income	119.18	124.06	-	243.24	-	48.92
	(c) Other income	100.31	212.46	172.45	312.77	268.66	491.23
	Total income	5,556.79	5,247.67	5,381.13	10,804.46	10,585.38	21,473.05
2	Expenses						
	(a) Cost of materials consumed	225.20	585.51	371.00	810.71	678.15	1,618.84
	(b) Purchase of stock-in-trade	88.58	42.02	14.01	130.60	24.36	143.78
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	177.65	(176.80)	22.46	0.85	66.50	(156.92)
	(d) Employee benefits expense	1,476.37	1,368.57	1,273.71	2,844.94	2,675.16	5,279.29
	(e) Finance costs	309.96	296.01	-	605.97	0.01	-
	(f) Depreciation and amortisation expense	1,049.62	980.33	395.19	2,029.95	731.79	1,527.53
	(g) Other expenses	2,501.00	2,431.80	3,488.21	4,932.80	6,783.47	14,011.44
	Total expenses	5,828.38	5,527.44	5,564.58	11,355.82	10,959.44	22,423.76
3	(Loss) before tax (1 - 2)	(271.59)	(279.77)	(183.45)	(551.36)	(374.06)	(950.71)
4	Tax expense:						
	(a) Current tax	-	-	(258.98)	-	(258.98)	-
	(b) Deferred tax charge / (credit)	212.71	334.07	-	546.78	-	(555.00)
	(c) Excess provision for earlier years	-	-	-	-	-	-
	Total tax expense	212.71	334.07	(258.98)	546.78	(258.98)	(555.00)
5	Net (loss)/profit for the period (3 - 4)	(484.30)	(613.84)	75.53	(1,098.14)	(115.08)	(395.71)
6	Other comprehensive income / (loss) (gross of tax)						
	(a) Items that will not be reclassified to profit or loss	(5.52)	(5.53)	(4.19)	(11.05)	(8.39)	(22.10)
	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)	(5.52)	(5.53)	(4.19)	(11.05)	(8.39)	(22.10)
7	Total comprehensive income / (loss) for the period (5 + 6)	(489.82)	(619.37)	71.34	(1,109.19)	(123.47)	(417.81)
8	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
9	Earnings per equity share (of Rs. 10 each) (not annualised):						
	(a) Basic	(3.71)	(4.74)	0.58	(8.41)	(0.88)	(3.03)
	(b) Diluted	(3.71)	(4.74)	0.58	(8.41)	(0.88)	(3.03)
	See accompanying notes to the standalone financial results						



Kaya Limited		(Rs. in Lakhs)	
Standalone Balance Sheet as at 30 September 2019		30 September 2019	31 March 2019
Particulars	(Unaudited)	(Audited)	
ASSETS			
Non-current assets			
Property, plant and equipment	3,992.81	4,142.88	
Right-of-use assets	10,226.47	-	
Capital work-in-progress	4.43	83.75	
Intangible assets	122.39	181.49	
Investment in subsidiaries	9,962.12	9,451.11	
Financial assets			
Loans	1,674.65	1,314.19	
Other financial assets	2.01	1.96	
Deferred tax assets	1,559.88	2,106.66	
Non-current tax assets	9.50	387.36	
Other non-current assets	139.12	470.17	
	27,693.38	18,139.57	
Current assets			
Inventories	3,222.39	3,401.84	
Financial assets			
Loans	293.43	925.30	
Trade receivables	623.81	553.51	
Cash and cash equivalents	202.17	417.20	
Bank balances other than above	47.64	43.43	
Current investments	1,389.55	1,442.87	
Other financial assets	464.91	307.65	
Other current assets	762.44	785.84	
	7,006.34	7,877.64	
TOTAL ASSETS	34,699.72	26,017.21	
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,306.41	1,306.41	
Other equity	12,199.49	14,985.96	
	13,505.90	16,292.37	
Liabilities			
Non-current liabilities			
Lease liabilities	9,219.79	-	
Long-term provisions	116.74	112.61	
	9,336.53	112.61	
Current liabilities			
Financial liabilities			
Lease liabilities	2,354.37	-	
Trade payables			
Total outstanding dues of Micro enterprises and Small enterprises	96.68	105.86	
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	1,249.59	1,467.29	
Other financial liabilities	4.14	31.54	
Other current liabilities	7,989.39	7,847.89	
Short-term provisions	163.12	159.65	
	11,857.29	9,612.23	
TOTAL EQUITY AND LIABILITIES	34,699.72	26,017.21	



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Notes to the Kaya Limited 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 24 October 2019. These financial results have been subject to limited review by the statutory auditors of the company and 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.

4. Other expenses includes consumption of stores of Rs 1,098.25 lakhs (30 September 2018: Rs 1,294.74 lakhs) and payment to consultants of Rs 1,036.96 lakhs (30 September 2018: Rs 1,130.39 lakhs) respectively for the half year ended 30 September 2019.

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

Particulars	Quarter ended 30 September 2019	Quarter ended 30 September 2018
Balance at the beginning of the quarter	74,557	1,43,184
Granted during the quarter	-	-
Forfeited / lapsed during the quarter	13,101	3,516
Exercised during the quarter	-	20,546
Outstanding at the end of the quarter	61,456	1,19,122

6. 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 of Rs 1,709.68 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-of-use assets and finance cost for interest accrued on lease liability.

7. Tax expense for the quarter and six months ended 30 September 2019 includes impact of Taxation Laws Amendment Ordinance 2019 as applicable to the Company.

Place : Mumbai

Harsh Mariwala

 Chairman and Managing Director

Date: 24 October 2019



Kaya Limited

Standalone Statement of Cash Flows for the period ended 30 September 2019

Currency in Indian Rupees

	30-Sep-19	(Rs. in lakhs) 30-Sep-18
A Cash flow from operating activities:		
(Loss) before tax	(562.41)	(123.47)
Adjustments:		
Depreciation and amortisation expense	612.16	731.79
Employee share-based payment expenses	23.03	44.66
Finance costs	38.95	0.01
(Gain) on sale of property, plant & equipment (net)	(1.44)	(13.30)
Interest income	(142.43)	(20.52)
Net loss/(gain) on foreign currency transactions and translation	27.29	(53.05)
(Gain) on sale of current investments	(56.20)	(59.16)
Unwinding of discount on security deposits	(74.83)	(76.15)
Provision for doubtful advances	23.08	6.05
Operating (loss)/profit before working capital changes	(112.79)	436.85
Adjustment for movements in working capital:		
Decrease in inventories	179.46	386.89
(Increase) in trade and other receivables	(70.30)	(22.38)
Decrease/(increase) in other assets	283.96	(269.77)
Decrease/(increase) in loans	297.28	(57.25)
(Increase) in financial asset	(161.52)	(180.57)
Increase in other current liabilities	141.50	775.68
Increase in provisions	7.59	6.56
(Decrease) in trade and other payable	(199.59)	(387.02)
	365.60	688.99
Income taxes paid/(refunds) (net)	377.85	190.71
Net cash flows generated from the operating activities (A)	743.45	879.70
B Cash flow from investing activities:		
Acquisition of property, plant and equipment and capital work-in-progress	(442.92)	(498.72)
Proceeds from sale of investments	6,938.53	7,899.69
Acquisition of current investments	(6,829.01)	(8,123.00)
Investment in subsidiary	(511.00)	-
Proceeds from sale of property, plant and equipment	4.23	10.98
Interest income	143.26	17.71
Net cash flows (used in) the investing activities (B)	(696.92)	(693.34)
C Cash flow from financing activities:		
Proceeds from issue of equity shares	-	236.97
Finance costs	(38.95)	(0.01)
Increase in lease liabilities including interest	(222.60)	-
Net cash flows (used in)/generated from financing activities (C)	(261.55)	236.96
D Net (decrease)/increase in cash & cash equivalents (A+B+C)	(215.03)	423.32
Cash and cash equivalents at the beginning of the year	417.20	348.69
Cash and cash equivalents at the close of the year	202.17	772.01
Reconciliation of cash and cash equivalents as per the cash flow statement		
	30-Sep-19	30-Sep-18
Cash and cash equivalent as per above comprises of the following:		
Cash and cash equivalents	202.17	772.01
Balances as per statement of cash flows	202.17	772.01

