

B S R & Co. LLP

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Limited Review Report on Unaudited Quarterly and Year to Date Standalone Financial Results of Kaya Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Kaya Limited

We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Kaya Limited ('the Company') for the quarter ended 30 September 2018 and year to date results for the period 1 April 2018 to 30 September 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this unaudited standalone financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 financial results are free of material misstatement. A review is limited primarily to inquiries of the 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies 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.

The comparative standalone financial results of the Company for the quarter ended 30 June 2017 which are included in the standalone financial results for the six months ended 30 September 2017 had been reviewed by the predecessor auditor who had expressed an unmodified conclusion thereon as per their report dated 2 August 2017 and which has been furnished to us by the Company's Management and has been relied upon by us for the purpose of our review of the Statement. 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



Rajesh Mehra

Partner

Membership No: 103145

Mumbai
2 November 2018

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

Kaya Limited
Standalone Balance Sheet as at 30 September 2018

(Rs. in Lakhs)

| Particulars | 30 September 2018 (Unaudited) | 31 March 2018 (Audited) |
|-------------------------------------|----------------------------------|----------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 4,595.44 | 4,799.24 |
| Capital work-in-progress | 17.82 | 30.27 |
| Intangible assets | 163.52 | 188.59 |
| Investment in subsidiaries | 9,451.11 | 9,451.11 |
| Financial assets | | |
| Loans | 977.11 | 1,564.31 |
| Other financial assets | 1.72 | 1.08 |
| Deferred tax assets | 2,106.66 | 2,106.65 |
| Non-current tax assets | 84.61 | 16.36 |
| Other non-current assets | 625.41 | 622.47 |
| | 18,023.40 | 18,780.08 |
| Current assets | | |
| Inventories | 2,990.03 | 3,376.92 |
| Financial assets | | |
| Loans | 1,027.91 | 383.46 |
| Trade receivables | 434.17 | 411.79 |
| Cash and cash equivalents | 772.00 | 348.69 |
| Bank balances other than above | 44.13 | 25.85 |
| Current investments | 2,290.77 | 2,008.30 |
| Other financial assets | 411.13 | 249.48 |
| Other current assets | 848.76 | 547.37 |
| | 8,818.90 | 7,351.86 |
| TOTAL ASSETS | 26,842.30 | 26,131.94 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 1,306.41 | 1,303.09 |
| Other equity | 15,313.85 | 17,505.33 |
| | 16,620.26 | 18,808.42 |
| Liabilities | | |
| Non-current liabilities | | |
| Long-term provisions | 21.95 | 22.65 |
| | 21.95 | 22.65 |
| Current liabilities | | |
| Financial liabilities | | |
| Current borrowings | - | - |
| Trade payables | 1,240.63 | 1,574.61 |
| Other financial liabilities | 41.98 | 81.07 |
| Other current liabilities | 8,684.88 | 5,419.85 |
| Short-term provisions | 232.60 | 225.34 |
| | 10,200.09 | 7,300.87 |
| TOTAL EQUITY AND LIABILITIES | 26,842.30 | 26,131.94 |



Kaya Limited
Statement of Standalone Financial Results for the quarter and half year ended 30 September 2018

| Sr. No. | Particulars | Quarter ended | | | Half Year ended | | (Rs. in Lakhs) |
|---------|---|-------------------|-----------------|-------------------|-------------------|-------------------|----------------------------|
| | | 30 September 2018 | 30 June 2018 | 30 September 2017 | 30 September 2018 | 30 September 2017 | Year ended |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | 31 March 2018 (Audited) |
| 1 | Income | | | | | | |
| | (a) Revenue from operations | 5,208.68 | 5,108.04 | 5,165.61 | 10,316.72 | 10,091.30 | 20,119.90 |
| | (b) Other income | 172.45 | 96.21 | 183.91 | 268.66 | 409.61 | 958.26 |
| | Total income | 5,381.13 | 5,204.25 | 5,349.52 | 10,585.38 | 10,500.91 | 21,078.16 |
| 2 | Expenses | | | | | | |
| | (a) Cost of materials consumed | 371.00 | 307.14 | 192.56 | 678.15 | 533.74 | 1,145.14 |
| | (b) Purchase of stock-in-trade | 14.01 | 10.35 | 13.47 | 24.36 | 52.79 | 103.87 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22.46 | 44.04 | 193.61 | 66.50 | 208.06 | 126.85 |
| | (d) Employee benefits expense | 1,273.71 | 1,401.46 | 1,338.38 | 2,675.16 | 2,757.87 | 5,425.63 |
| | (e) Finance cost | - | 0.01 | 0.58 | 0.01 | 1.18 | 10.03 |
| | (f) Depreciation and amortisation expense | 395.19 | 336.60 | 279.48 | 731.79 | 555.01 | 1,314.11 |
| | (g) Other expenses | 3,488.21 | 3,295.26 | 3,449.16 | 6,783.47 | 6,901.79 | 14,323.91 |
| | Total expenses | 5,564.58 | 5,394.86 | 5,467.24 | 10,959.44 | 11,010.44 | 22,449.54 |
| 3 | (Loss) before tax (1 - 2) | (183.45) | (190.61) | (117.72) | (374.06) | (509.53) | (1,371.38) |
| 4 | Tax expense: | | | | | | |
| | (a) Current tax | (258.98) | - | - | (258.98) | - | - |
| | (b) Deferred tax | - | - | (2.32) | - | (123.39) | (37.81) |
| | Total tax expense | (258.98) | - | (2.32) | (258.98) | (123.39) | (37.81) |
| 5 | Profit / (loss) for the period (3 - 4) | 75.53 | (190.61) | (115.40) | (115.08) | (386.14) | (1,333.57) |
| 6 | Other comprehensive income / (loss) (gross of tax) | | | | | | |
| | (a) Items that will not be reclassified to profit or loss | (4.19) | (4.19) | 3.80 | (8.39) | 2.53 | (16.77) |
| | 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) | (4.19) | (4.19) | 3.80 | (8.39) | 2.53 | (16.77) |
| 7 | Total comprehensive income / (loss) for the period (5 + 6) | 71.34 | (194.80) | (111.60) | (123.47) | (383.61) | (1,350.34) |
| 8 | Paid-up equity share capital | 1,306.41 | 1,304.35 | 1,302.80 | 1,306.41 | 1,302.80 | 1,303.09 |
| | 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 | 0.58 | (1.46) | (0.88) | (0.88) | (2.96) | (10.24) |
| | (b) Diluted | 0.58 | (1.46) | (0.88) | (0.88) | (2.96) | (10.24) |
| | See accompanying notes to the standalone financial results | | | | | | |



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 Standalone audited financial results of Kaya Limited ("the Company") for the quarter and half year ended 30 September 2018 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 2 November 2018. 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 Business" in terms of Ind AS 108.
4. Other expenses includes rent of Rs 1,854.81 lakhs (30 September 2017: Rs 1,719.90 lakhs) and consumption of stores of Rs 1,294.74 lakhs (30 September 2017: Rs 1,272.17 lakhs) for half year ended 30 September 2018.
5. Following are the particulars of Employee Stock Options pursuant to various schemes:

| Particulars | Quarter ended 30 September 2018 | Quarter ended 30 September 2017 |
|---|------------------------------------|------------------------------------|
| Balance at the beginning of the quarter | 1,43,184 | 1,86,658 |
| Granted during the quarter | - | - |
| Forfeited / lapsed during the quarter | 3,516 | 6,605 |
| Exercised during the quarter | 20,546 | - |
| Outstanding at the end of the quarter | 1,19,122 | 1,80,053 |

6. The Company adopted Ind AS 115 with a modified retrospective approach, with the effect of initially applying this standard being recognised at the date of initial application (i.e. 1 April 2018) in Retained Earnings. Hence, the figures for the comparative periods and year ended 31 March 2018 have not been restated. On adoption of Ind AS 115, the Company refined its accounting of performance obligations including allocation of fair values and treatment of upfront fees. Consequently, Rs 2,370.38 lakhs of Revenue from Operations has been reduced from Retained Earnings as at 31 March 2018. Further, as a result of this change, Revenue from Operations for the quarter ended 30 September 2018 is higher by Rs 116.36 lakhs and loss after tax is lower by an equal amount. The Basic and Diluted EPS for the quarter ended 30 September 2018 is Rs 0.58 per share instead of Rs (0.31) per share.
7. Figures for the quarter ended 30 September 2018, represents the difference between the published figures of half year ended 30 September 2018 and three months ended 30 June 2018, which were subject to limited review.
8. Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period.

Place : Mumbai

Date: 2 November 2018



Harsh Mariwala

 Chairman and Managing Director

