

# Kaya Limited

November 6, 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: Outcome of Board Meeting held today, i.e. November 6, 2020**

Dear Sir/ Madam,

This is to inform you that the Board of Directors of Kaya Limited (the “**Company**”) at its meeting held today i.e. Friday, November 6, 2020, has *interalia*, approved the Unaudited Standalone and Consolidated Financial Results of the Company, for the quarter and half year ended September 30, 2020.

The board meeting commenced at 1:15 p.m. and concluded at 4:30 p.m.

Please find enclosed a copy of the following:

Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020;  
Limited Review Report by the Statutory Auditors of the Company on the aforesaid Unaudited Financial Results.

Thanking you.  
For **Kaya Limited**,

**Nitika Dalmia**  
**Company Secretary &**  
**Compliance Officer**

Encl: A/a

Registered Office: Kaya Limited, Marks, 23/C, Mahal Industries Estate, Mahakali Caves Road, Near Paper Box Lane, Andheri (E), Mumbai 400 093. Tel.:91-22-66195000. Website: [www.kaya.in](http://www.kaya.in)

CIN: L85190MH2003PLC139763

**Limited review report on Unaudited Quarterly and Year-to-Date Standalone financial results of Kaya Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****To 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 2020 and year-to-date results for the period from 1 April 2020 to 30 September 2020 ('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.
5. We draw attention to Note 5 to the unaudited standalone 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 conclusion is not modified in respect of this matter.

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

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

Mumbai  
6 November 2020

**Rajesh Mehra**  
*Partner*

Membership No: 103145  
UDIN: 20103145AAAADE5101

<b>Kaya Limited</b>		
<b>Standalone Balance Sheet as at 30 September 2020</b>		
	<b>(Rs. in Lakhs)</b>	
<b>Particulars</b>	<b>30 September 2020 (Unaudited)</b>	<b>31 March 2020 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,790.35	3,211.82
Right-of-use assets	7,505.58	8,032.80
Intangible assets	16.46	30.00
Intangible assets under development	82.73	48.91
Financial assets		
Investment in subsidiaries	11,444.08	9,962.12
Loans	1,158.48	1,528.62
Other financial assets	0.00	2.07
Income tax assets	3.05	8.17
Other non-current assets	31.35	36.43
	<b>23,032.08</b>	<b>22,860.94</b>
<b>Current assets</b>		
Inventories	2,641.29	2,962.23
Financial assets		
Investments	1,179.21	1,878.46
Trade receivables	491.66	641.73
Cash and cash equivalents	348.07	77.86
Bank balances other than above	51.66	48.56
Loans	936.38	788.03
Other financial assets	274.72	345.05
Other current assets	695.94	729.47
	<b>6,618.93</b>	<b>7,471.39</b>
<b>TOTAL ASSETS</b>	<b>29,651.01</b>	<b>30,332.33</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,306.41	1,306.41
Other equity	8,819.68	10,188.75
	<b>10,126.09</b>	<b>11,495.16</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	1,792.32	904.71
Lease liabilities	6,584.37	7,159.26
Long-term provisions	182.07	149.72
	<b>8,558.76</b>	<b>8,213.69</b>
<b>Current liabilities</b>		
Financial liabilities		
Lease liabilities	2,474.48	2,195.04
Trade payables		-
Total outstanding dues of Micro enterprises and Small enterprises	273.50	158.24
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	1,334.15	1,192.39
Other financial liabilities	5.31	7.20
Other current liabilities	6,709.63	6,918.66
Short-term provisions	169.09	151.95
	<b>10,966.16</b>	<b>10,623.48</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>29,651.01</b>	<b>30,332.33</b>

Kaya Limited  
Statement of Standalone Financial Results for the quarter and half year ended 30 September 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	(a) Revenue from operations	2,889.37	537.81	5,456.48	3,427.18	10,491.69	20,434.36
	(b) Other income (Refer Note 6)	372.39	525.22	100.31	897.61	312.77	855.81
	<b>Total income</b>	<b>3,261.76</b>	<b>1,063.03</b>	<b>5,556.79</b>	<b>4,324.79</b>	<b>10,804.46</b>	<b>21,290.17</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	88.98	57.44	225.20	146.42	810.71	1,433.47
	(b) Purchase of stock-in-trade	26.23	-	88.58	26.23	130.60	266.17
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	196.65	(4.65)	177.65	192.00	0.85	27.77
	(d) Employee benefits expense	645.55	695.35	1,476.37	1,340.90	2,844.94	5,384.55
	(e) Finance costs	278.55	267.17	309.96	545.72	605.97	1,206.37
	(f) Depreciation and amortisation expense	796.14	832.80	1,049.62	1,628.94	2,029.95	4,450.11
	(g) Consumption of stores and spares	389.91	220.01	569.18	609.92	1,098.25	2,283.49
	(h) Payment to consultants	160.66	169.12	517.96	329.78	1,036.96	2,055.04
	(i) Other expenses	707.24	570.34	1,413.86	1,277.58	2,797.59	5,470.57
	<b>Total expenses</b>	<b>3,289.91</b>	<b>2,807.58</b>	<b>5,828.38</b>	<b>6,097.49</b>	<b>11,355.82</b>	<b>22,577.54</b>
3	<b>(Loss) before tax (1 - 2)</b>	<b>(28.15)</b>	<b>(1,744.55)</b>	<b>(271.59)</b>	<b>(1,772.70)</b>	<b>(551.36)</b>	<b>(1,287.37)</b>
4	Tax expense:						
	(a) Current tax	-	-	-	-	-	-
	(b) Deferred tax (Refer Note 7)	-	-	212.71	-	546.78	2,106.66
	Total tax expense	-	-	212.71	-	546.78	2,106.66
5	<b>Net (loss) for the period (3 - 4)</b>	<b>(28.15)</b>	<b>(1,744.55)</b>	<b>(484.30)</b>	<b>(1,772.70)</b>	<b>(1,098.14)</b>	<b>(3,394.03)</b>
6	Other comprehensive income / (loss) (gross of tax)						
	(a) Items that will not be reclassified to profit or loss	(10.70)	(10.70)	(5.52)	(21.40)	(11.05)	(42.80)
	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>(10.70)</b>	<b>(10.70)</b>	<b>(5.52)</b>	<b>(21.40)</b>	<b>(11.05)</b>	<b>(42.80)</b>
7	<b>Total comprehensive income / (loss) for the period (5 + 6)</b>	<b>(38.85)</b>	<b>(1,755.25)</b>	<b>(489.82)</b>	<b>(1,794.10)</b>	<b>(1,109.19)</b>	<b>(3,436.83)</b>
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	(0.22)	(13.35)	(3.71)	(13.57)	(8.41)	(25.98)
	(b) Diluted	(0.22)	(13.35)	(3.71)	(13.57)	(8.41)	(25.98)
	See accompanying notes to the standalone financial results						

## Kaya Limited

## Standalone Statement of Cash Flows for the period ended 30 September 2020

		(Rs. in lakhs)	
		30 September 2020	30 September 2019
<b>A</b>	<b>Cash flow from operating activities:</b>		
	Loss before tax	(1,772.70)	(562.41)
	Adjustments for:		
	Depreciation and amortisation expense	1,628.94	2,029.95
	Employee share-based payment expenses	-	23.03
	Liabilities written back to the extent no longer required (net)	(14.81)	-
	Provision for doubtful debts	48.36	-
	Finance costs	545.72	605.97
	Profit on sale / discarding of property, plant and equipment (net)	(3.09)	(1.44)
	Interest income	(22.62)	(142.43)
	Unrealised foreign exchange (gain)/loss	27.66	27.29
	Net gain on sale of current investments	(23.71)	(56.20)
	Unwinding of discount on security deposits	(51.26)	(74.83)
	Advances written off during the year	10.75	-
	Rent concessions	(768.58)	-
	Provision for doubtful advances	-	23.08
	<b>Operating profit before working capital changes</b>	<b>(395.34)</b>	<b>1,872.01</b>
	<b>Changes in working capital:</b>		
	Decrease in inventories	320.94	179.46
	Decrease / (increase) in trade and other receivables	74.05	(70.30)
	Decrease in other assets	27.79	283.96
	Decrease in loans	159.18	297.28
	Decrease / (increase) in financial asset	69.20	(161.52)
	(Decrease) / increase in other current liabilities	(209.03)	141.50
	Increase in provisions	28.08	7.60
	Increase / (decrease) in trade and other payable	271.84	(199.59)
	<b>Cash inflow from operations</b>	<b>346.71</b>	<b>2,350.40</b>
	Income taxes (paid) / refunded (net)	6.45	377.85
	<b>Net cash flows generated from operating activities (A)</b>	<b>353.16</b>	<b>2,728.25</b>
<b>B</b>	<b>Cash flow from investing activities:</b>		
	Acquisition of property, plant and equipment	(58.44)	(442.92)
	Proceeds from sale of investments	3,987.83	6,938.53
	Purchase of investments	(3,264.86)	(6,829.01)
	Investment in subsidiary	(1,481.96)	(511.01)
	Proceeds from sale of property, plant and equipment	3.09	4.23
	Interest income received	25.81	143.26
	Investment in bank deposits (having original maturity more than 3 months)	(3.10)	-
	<b>Net cash flows (used in) investing activities (B)</b>	<b>(791.63)</b>	<b>(696.92)</b>
<b>C</b>	<b>Cash flow from financing activities:</b>		
	Proceeds from issue of equity shares	-	-
	Proceeds from loans and borrowings	1,269.00	-
	Repayment of lease liabilities including interest	(508.91)	(2,207.07)
	Finance cost	(51.41)	(39.29)
	<b>Net cash flows (used in) financing activities (C)</b>	<b>708.68</b>	<b>(2,246.36)</b>
<b>D</b>	<b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>270.21</b>	<b>(215.03)</b>
	Cash and cash equivalents at the beginning of the period	77.86	417.20
	<b>Cash and cash equivalents at the end of the period</b>	<b>348.07</b>	<b>202.17</b>

#### 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 6 November 2020. 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 - "Operating Segments".

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

Particulars	Quarter ended 30 September 2020	Quarter ended 30 September 2019
Balance at the beginning of the quarter	55,574	74,557
Granted during the quarter	-	-
Forfeited / lapsed during the quarter	21,834	13,101
Exercised during the quarter	-	-
Outstanding at the end of the quarter	33,740	61,456

5. 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 standalone 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 shut down around 23 clinics located in India during the half year ended 30 September 2020. 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 used for the preparation of these standalone financial results, other than the clinic shut down 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
- 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. The Company continues to enjoy support from the promoter group and has also received funding from them during the quarter. 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.

6. Other income for the quarter and half year ended 30 September 2020, includes Rs 457.74 lakhs and Rs 768.58 lakhs respectively on account of rent concessions as the Company has availed practical expedient of Ind AS 116.

7. In previous years, 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 during year ended 31 March 2020 recognised in earlier years.

8. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and rules for quantifying the financial impact are yet to be framed. The Company will assess the impact of the Code once the relevant rules thereunder are prescribed and will record any related impact in the period the Code becomes effective.

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: 6 November 2020

Chairman and Managing Director

## Limited review report on Unaudited Quarterly and Year-to-Date Consolidated financial results of Kaya Limited under 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 consolidated financial results of Kaya Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the quarter ended 30 September 2020 and year-to-date results for the period from 1 April 2020 to 30 September 2020 ('the Statement'), attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
- 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.
- 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 SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

- The Statement includes the results of the following entities:

<b>Name of the Entity</b>	<b>Relationship</b>
KME Holdings Pte. Ltd.	Subsidiary
Kaya Middle East DMCC	Subsidiary
Kaya Middle East FZE	Step-down subsidiary
Iris Medical Centre LLC	Step-down subsidiary
Minal Medical Centre LLC - Dubai	Step-down subsidiary
Minal Medical Centre LLC – Sharjah	Step-down subsidiary

**Limited review report on Unaudited Quarterly and Year-to-Date Consolidated financial results of Kaya Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**Kaya Limited**

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 7 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 unaudited consolidated 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 conclusion is not modified in respect of this matter.

7. We did not review the interim financial information of five (5) subsidiaries (including step-down subsidiaries) included in the Statement, whose interim financial information reflect total assets of Rs 19,537.12 lakhs as at 30 September 2020 and total revenues of Rs 4,625.25 lakhs and Rs. 6,519.22 lakhs, total net (loss) after tax of Rs 271.22 lakhs and Rs 1,715.36 lakhs and total comprehensive loss of Rs. 281.39 lakhs and Rs. 1,735.71 lakhs, for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, and cash inflow (net) of Rs 504.93 lakhs for the period from 1 April 2020 to 30 September 2020, as considered in these consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

8. The Statement includes the interim financial information of one (1) subsidiary which has not been reviewed, whose interim financial information reflects total assets of Rs.11,680.32 lakhs as at 30 September 2020 and total revenue of Rs. Nil and Rs. Nil, total net gain after tax of Rs. 5.57 lakhs and Rs. 0.38 lakh and total comprehensive loss of Rs. 5.57 lakhs and Rs. 0.38 lakh for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, and cash inflow (net) of Rs. 17.47 lakhs for the period from 1 April 2020 to 30 September 2020, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

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

*Chartered Accountants*

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

Mumbai  
6 November 2020

**Rajesh Mehra**

*Partner*

Membership No: 103145

UDIN : 20103145AAAADF8758



**Kaya Limited**  
**Consolidated Balance Sheet as at 30 September 2020**

(Rs. in Lakhs)

Particulars	30 Sep 2020 (Unaudited)	31 March 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,321.29	8,420.46
Capital work-in-progress	-	41.28
Right-of-use asset	10,956.93	12,251.35
Goodwill	10,410.40	9,232.81
Intangible assets	23.62	384.01
Intangible assets under development	123.24	48.91
Financial assets		
Loans	902.78	918.79
Other financial assets	-	2.07
Income tax assets	3.05	8.17
Other non-current assets	61.55	98.82
	<b>29,802.86</b>	<b>31,406.67</b>
<b>Current assets</b>		
Inventories	3,171.03	3,600.22
Financial assets		
Investments	1,179.21	1,878.46
Trade receivables	379.70	513.77
Cash and cash equivalents	1,523.28	730.66
Bank balances other than above	51.66	48.56
Loans	878.67	1,101.76
Other financial assets	155.23	45.88
Other current assets	1,568.18	1,554.62
	<b>8,906.96</b>	<b>9,473.93</b>
<b>TOTAL ASSETS</b>	<b>38,709.82</b>	<b>40,880.60</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,306.41	1,306.41
Other equity	4,529.22	6,857.84
	<b>5,835.63</b>	<b>8,164.25</b>
Non-controlling interest	41.11	67.14
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	2,896.60	2,217.36
Lease liabilities	9,191.47	10,300.24
Long-term provisions	1,327.33	1,250.38
	<b>13,415.40</b>	<b>13,767.98</b>
<b>Current liabilities</b>		
Financial liabilities		
Lease liabilities	3,550.47	3,450.06
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	273.50	158.24
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	3,455.90	2,898.33
Other financial liabilities	741.49	757.29
Other current liabilities	10,807.10	10,898.99
Short-term provisions	589.22	718.32
	<b>19,417.68</b>	<b>18,881.23</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,709.82</b>	<b>40,880.60</b>

**Kaya Limited**  
**Statement of Consolidated Financial Results for the quarter and half year ended 30 September 2020**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
		(Unaudited)		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	(a) Revenue from operations	7,399.51	2,387.42	10,141.58	9,786.93	20,185.25	39,321.79
	(b) Other income (Refer Note 5)	376.77	619.36	99.11	996.13	312.31	861.63
	<b>Total income</b>	<b>7,776.28</b>	<b>3,006.78</b>	<b>10,240.69</b>	<b>10,783.06</b>	<b>20,497.56</b>	<b>40,183.42</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	88.98	57.44	215.20	146.42	727.70	1,433.47
	(b) Purchase of stock-in-trade	26.23	-	88.58	26.23	130.60	266.17
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	196.65	(4.65)	187.65	192.00	83.86	27.77
	(d) Employee benefits expense	2,757.15	2,158.21	3,783.98	4,915.36	7,436.48	14,564.02
	(e) Finance costs	370.20	363.45	393.38	733.65	793.79	1,674.09
	(f) Depreciation and amortisation expense	1,476.73	1,529.47	1,797.90	3,006.20	3,519.35	7,525.78
	(g) Impairment loss	-	-	-	-	-	28.47
	(h) Consumption of stores and spares	1,149.15	529.68	1,330.75	1,678.83	2,691.02	5,442.46
	(i) Other expenses	2,096.57	1,566.99	3,164.04	3,663.56	6,452.22	12,525.15
	<b>Total expenses</b>	<b>8,161.66</b>	<b>6,200.59</b>	<b>10,961.48</b>	<b>14,362.25</b>	<b>21,835.02</b>	<b>43,487.38</b>
3	<b>Loss before tax (1 - 2)</b>	<b>(385.38)</b>	<b>(3,193.81)</b>	<b>(720.79)</b>	<b>(3,579.19)</b>	<b>(1,337.46)</b>	<b>(3,303.96)</b>
4	Tax expense:						
	(a) Current tax	-	-	-	-	-	-
	(b) Deferred tax (Refer note 6)	-	-	212.71	-	546.78	2,106.66
	(c) Tax for earlier years/(reversal of provisions)	-	-	-	-	-	-
	Total tax expense	-	-	212.71	-	546.78	2,106.66
5	<b>Loss for the period (3 - 4)</b>	<b>(385.38)</b>	<b>(3,193.81)</b>	<b>(933.50)</b>	<b>(3,579.19)</b>	<b>(1,884.24)</b>	<b>(5,410.62)</b>
6	Other comprehensive income (gross of tax)						
	(a) Items that will not be reclassified to profit or loss	(20.87)	(20.87)	(5.26)	(41.75)	(10.51)	(83.49)
	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>(20.87)</b>	<b>(20.87)</b>	<b>(5.26)</b>	<b>(41.75)</b>	<b>(10.51)</b>	<b>(83.49)</b>
7	<b>Total comprehensive income for the period (5 + 6)</b>	<b>(406.25)</b>	<b>(3,214.68)</b>	<b>(938.76)</b>	<b>(3,620.94)</b>	<b>(1,894.75)</b>	<b>(5,494.11)</b>
8	Net (loss) attributable to:						
	- Owners of the Company	(407.63)	(3,177.64)	(948.03)	(3,585.27)	(1,912.70)	(5,442.35)
	- Non Controlling Interest	22.25	(16.17)	14.53	6.08	28.46	31.73
	Total comprehensive income attributable to :						
	- Owners of the Company	(428.50)	(3,198.51)	(953.29)	(3,627.02)	(1,923.21)	(5,525.84)
	- Non Controlling Interest	22.25	(16.17)	14.53	6.08	28.46	31.73
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	(3.12)	(24.32)	(7.26)	(27.44)	(14.64)	(41.66)
	(b) Diluted	(3.12)	(24.32)	(7.26)	(27.44)	(14.64)	(41.66)
	See accompanying notes to the consolidated financial results						

## Kaya Limited

## Consolidated Statement of Cash Flows for the half year ended 30 September 2020

(Rs. in lakhs)

	30 September 2020	30 September 2019
<b>A Cash Flow from Operating Activities:</b>		
<b>Loss before tax</b>	(3,579.19)	(1,347.96)
Adjustments for:		
Depreciation and amortisation expense	3,006.20	3,519.35
Employee share-based payment expenses	-	25.70
Liabilities written back to the extent no longer required (net)	(14.81)	-
Provision for doubtful debts	48.36	-
Finance costs	733.65	793.79
Profit on sale / discarding of property, plant and equipment (net)	(3.09)	(1.44)
Interest income	(10.01)	(149.69)
Unrealised foreign exchange loss	27.66	27.29
Net gain on sale of current investments	(23.71)	(56.20)
Unwinding of discount on security deposits	(51.26)	(74.83)
Advances written off during the year	10.76	-
Rent concessions	(885.00)	-
Provision for doubtful advances	-	23.08
<b>Operating profit before working capital changes</b>	<b>(740.44)</b>	<b>2,759.09</b>
<b>Changes in working capital:</b>		
Decrease in Inventories	429.19	286.24
Decrease / (Increase) in Trade and Other Receivables	58.05	(56.41)
(Increase) / Decrease in other assets	(23.41)	900.47
Decrease in loans	326.93	205.03
(Increase) / Decrease in financial asset	(107.28)	69.03
(Decrease) in Other financial liabilities	(19.02)	(573.57)
(Decrease) / Increase in Other current liabilities	(91.89)	225.72
(Decrease) / Increase in Provisions	(93.88)	97.82
Increase / (Decrease) in Trade and Other Payable	687.63	(620.23)
<b>Cash inflow from operations</b>	<b>425.88</b>	<b>3,293.19</b>
Income taxes (paid) / refunded (net)	6.45	377.85
<b>Net Cash flows generated from Operating Activities (A)</b>	<b>432.33</b>	<b>3,671.04</b>
<b>B Cash Flow from Investing Activities:</b>		
Acquisition of property, plant and equipment	(61.39)	(823.00)
Proceeds from sale of investments	3,987.82	6,938.53
Purchase of investments	(3,264.85)	(6,829.01)
Proceeds from sale of property, plant and equipment	3.09	-
Interest income received	10.01	149.69
Investment in bank deposits (having original maturity more than 3 months)	(3.10)	-
Dividend paid to Minority Shareholders	(30.55)	(23.76)
<b>Net Cash flows generated from / (used in) from Investing Activities (B)</b>	<b>641.03</b>	<b>(587.55)</b>
<b>C Cash Flow from Financing Activities:</b>		
Proceeds from loans and borrowings	1,269.00	-
Repayment of loans and borrowings	(208.37)	(318.00)
Repayment of lease liabilities including interest	(1,210.30)	(3,067.58)
Finance cost	(109.75)	(132.14)
<b>Net Cash flows (used in) from Financing Activities (C)</b>	<b>(259.42)</b>	<b>(3,517.72)</b>
<b>D Effect of exchange difference on translation of foreign currency cash and cash equivalents</b>	<b>(21.32)</b>	<b>255.02</b>
<b>E Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C+D)</b>	<b>792.62</b>	<b>(179.21)</b>
Cash and cash equivalents at the beginning of the period	730.66	1,861.90
<b>Cash and cash equivalents at the end of the period</b>	<b>1,523.28</b>	<b>1,682.69</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 06 November 2020. These Consolidated results have been subject to a 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 Group has single operating segment viz. "Skin Care and Hair Care Business" in terms of Ind AS 108 - "Operating Segments".
  4. 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 consolidated 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 during the quarter ended 31 March 2020. 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 used for the preparation of these Consolidated financial results, other than the clinic shut down 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. The Group continues to enjoy support from the promoter group and has also received funding from them during the quarter. 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.
5. Other income for the quarter and half year ended 30 September 2020 includes Rs 320.44 lakhs and Rs 885.00 lakhs respectively on account of rent concessions as the Group has availed practical expedient of Ind AS 116.
  6. In previous years, 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 during year ended 31 March 2020 recognised in earlier years.
  7. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and rules for quantifying the financial impact are yet to be framed. The Group will assess the impact of the Code once the relevant rules thereunder are prescribed and will record any related impact in the period the Code becomes effective.
  8. 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: 06 November 2020**

**Chairman and Managing Director**