

Kaya Limited

May 30, 2022

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', 5th 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., Monday, May 30, 2022

Dear Sir/ Madam,

This is to inform you that the Board of Directors of Kaya Limited at its meeting held today i.e. Monday, May 30, 2022, *inter alia*:

- i.) Approved the audited standalone and consolidated financial results of Kaya Limited for the quarter and financial year ended March 31, 2022. The Financial Results and the Statutory Auditors' Reports thereon are enclosed. The Statutory Auditors have issued their Audit Reports on the Financial Results with an unmodified opinion.
- ii.) Approved the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm registration No. 101248W/W100022) as the statutory auditors of the Company for a second term of five consecutive years from the conclusion of the ensuing 19th Annual General Meeting till the conclusion of 24th Annual General Meeting to be held in the year 2027, subject to approval of the Shareholders. M/s. B S R & Co. LLP is a member entity of B S R & Associates, a network registered with the Institute of Chartered Accountants of India, and audits various companies listed on stock exchanges in India in diverse sectors.
- iii.) Considered and approved, amongst others, to create, offer, issue and allot such number of equity shares, other eligible securities, convertible securities or a combination of the any of the aforementioned securities of the Company as is permitted under the the Securities and Exchange Board (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“**SEBI ICDR Regulations**”) (“**Securities**”) to the existing shareholders of the Company as on the record date to be specified (“**Eligible Shareholders**”) on a rights issue basis

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

CIN: L85190MH2003PLC139763

Kaya Limited

for an aggregate amount not exceeding Rs. 2,00,00,00,000/- (Rupees Two Hundred Crores (the “Issue”), through a draft letter of offer, letter of offer and/or such other documents/writings in accordance with the provision of the Companies Act, 2013 and SEBI ICDR Regulations, the provisions of the Memorandum of Association and the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the listing agreement executed with the Stock Exchanges, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Consolidated FDI Policy of 2020 and the Foreign Exchange Management Act, 1999 and rules and regulations made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, each as amended.

Further, the Board appointed Kotak Mahindra Capital Company Limited as the lead manager to the Issue and constituted a Committee of Directors (Rights Issue) to decide the other terms and conditions of the Issue including the record date.

The meeting of the Board commenced at 10:30 a.m. and concluded at 10:50 a.m.

Thanking you.

For **Kaya Limited**,

NITIKA
SUNNY
NIRMAL

Nitika Dalmia
Company Secretary &
Compliance Officer

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B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's 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 2022, attached herewith, (in which are included financial information from one [1] branch) being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (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 loss and other financial information for the year ended 31 March 2022.

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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Emphasis of Matter(s)

- a. We draw attention to Note 5 to the standalone annual financial results, which explains the management's assessment of going concern assumption. The Company has incurred operational losses during the current financial year and the prior years and has a negative working capital position as of 31 March 2022 arising primarily from COVID 19 pandemic situation and other related factors. Based on the financial support from the promoter group along with funds available with the Company as of 31 March 2022, the management believes that Company will be able to meet its obligations within the next 12 months as and when they fall due. Accordingly, the management has prepared the Statement on a going concern basis.

Our opinion is not modified in respect of this matter.

Registered Office:

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 profit/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 financial statements on whether the company has adequate internal financial controls with reference to 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 standalone 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 standalone annual financial results or, if such

Independent Auditor's Report (Continued)

Kaya Limited

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.

- 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 Matter(s)

- The standalone annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure 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

**RAJESH
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Rajesh Mehra

Partner

Mumbai

30 May 2022

Membership No.: 103145

UDIN:22103145AJVRSP7184

Kaya Limited		
Standalone Balance Sheet as at 31 March 2022		
(Rs. in Lakhs)		
Particulars	31 March 2022 (Audited)	31 March 2021 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	1,684.85	2,308.22
Right-of-use assets	6,304.12	6,840.11
Other Intangible assets	41.45	27.85
Intangible assets under development	113.48	88.99
Financial assets		
Investments	16,111.22	11,444.09
Loans	-	256.33
Other financial assets	921.32	930.64
Income tax assets	3.04	3.85
Other non-current assets	301.81	45.86
	25,481.29	21,945.94
Current assets		
Inventories	2,072.61	2,282.95
Financial assets		
Investments	2,561.89	1,135.17
Trade receivables	507.80	456.86
Cash and cash equivalents	164.79	193.49
Bank balances other than above	604.31	52.51
Loans	8.48	598.64
Other financial assets	439.25	512.55
Other current assets	441.92	527.21
	6,801.05	5,759.38
TOTAL ASSETS	32,282.34	27,705.32
EQUITY AND LIABILITIES		
Equity		
Share capital	1,306.41	1,306.41
Other equity	7,705.00	8,888.76
	9,011.41	10,195.17
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	7,859.45	2,129.62
Lease liabilities	5,379.82	5,966.08
Long-term provisions	188.13	185.09
	13,427.40	8,280.79
Current liabilities		
Financial liabilities		
Lease liabilities	2,150.97	2,213.41
Trade payables		-
Total outstanding dues of Micro enterprises and Small enterprises	441.59	127.14
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	869.34	833.87
Other financial liabilities	372.81	256.51
Other current liabilities	5,761.23	5,616.83
Short-term provisions	247.59	181.60
	9,843.53	9,229.36
TOTAL EQUITY AND LIABILITIES	32,282.34	27,705.32

Kaya Limited

Statement of Standalone Financial Results for the quarter and year ended 31 March 2022

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		Refer Note 7	(Unaudited)	Refer Note 7	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	3,934.50	4,486.20	4,173.95	14,090.66	11,707.05
	(b) Other income (Refer Note 6)	155.03	217.48	174.92	891.03	1,250.79
	Total income	4,089.53	4,703.68	4,348.87	14,981.69	12,957.84
2	Expenses					
	(a) Cost of materials consumed	298.82	238.65	268.86	906.13	715.89
	(b) Purchase of stock-in-trade	17.14	34.32	111.51	89.26	145.33
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(45.02)	37.89	8.31	90.55	214.65
	(d) Employee benefits expense	1,174.37	1,244.23	1,007.19	4,310.23	3,202.03
	(e) Finance costs	349.19	312.83	283.10	1,254.29	1,116.99
	(f) Depreciation and amortisation expense	994.17	765.71	786.23	3,295.63	3,197.49
	(g) Impairment losses	190.84	-	25.51	190.84	25.51
	(h) Consumption of stores and spares	502.79	617.78	565.57	1,867.62	1,712.82
	(i) Other expenses	1,459.78	1,646.13	1,187.69	5,524.70	4,039.16
	Total expenses	4,942.08	4,897.54	4,243.97	17,529.25	14,369.87
3	Profit/(loss) before tax (1 - 2)	(852.55)	(193.86)	104.90	(2,547.56)	(1,412.03)
4	Tax expense:					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax charge	-	-	-	-	-
	Total tax expense	-	-	-	-	-
5	Net profit/(loss) for the period (3 - 4)	(852.55)	(193.86)	104.90	(2,547.56)	(1,412.03)
6	Other comprehensive income / (loss) (gross of tax)					
	(a) Items that will not be reclassified to profit or loss	(21.34)	(3.54)	17.94	(31.96)	(14.16)
	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)	(21.34)	(3.54)	17.94	(31.96)	(14.16)
7	Total comprehensive income / (loss) for the period (5 + 6)	(873.89)	(197.40)	122.84	(2,579.52)	(1,426.19)
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	(6.53)	(1.48)	0.80	(19.50)	(10.81)
	(b) Diluted	(6.53)	(1.48)	0.80	(19.50)	(10.81)
	See accompanying notes to the standalone financial results					

Standalone Statement of Cash Flows for the year ended 31 March 2022

(Rs. in lakhs)

	31 March 2022	31 March 2021
A Cash Flow from Operating Activities:		
Loss before tax	(2,547.56)	(1,412.03)
Adjustments:		
Depreciation and amortisation expense	3,295.63	3,197.49
Impairment losses	190.84	25.51
Employee share-based payment expenses	95.46	-
Liabilities written back to the extent no longer required (net)	(84.60)	(20.77)
Provision for doubtful debts	20.88	11.07
Finance costs	1,254.29	1,116.99
Profit on sale / discarding of property, plant and equipment (net)	(5.76)	(3.95)
Interest income	(109.24)	(44.26)
Unrealised foreign exchange loss	8.69	42.88
Net gain on sale of current investments	(49.53)	(40.82)
Unwinding of discount on security deposits	(106.16)	(105.70)
Advances written off during the year	72.16	13.23
Net gain on lease modification	(37.78)	(47.86)
Lease rental income	(401.94)	(948.19)
Operating profit before working capital changes	1,595.38	1,783.59
Changes in working capital:		
Decrease in inventories	210.34	679.28
Decrease / (increase) in trade and other receivables	(93.33)	124.00
Decrease in other assets	35.00	200.33
Decrease in loans	968.14	306.90
Decrease in financial assets	53.23	79.33
Increase / (Decrease) in other current liabilities	144.40	(1,047.86)
Increase / (Decrease) in Other financial liabilities	128.27	(23.36)
Increase in provisions	(32.81)	72.90
Increase / (Decrease) in trade and other payables	434.52	(368.85)
Cash generated from operations	3,443.14	1,806.26
Income taxes paid (net of refund)	0.81	4.32
Net Cash generated from Operating Activities (A)	3,443.95	1,810.58
B Cash Flow from Investing Activities:		
Acquisition of property, plant and equipment	(984.07)	(78.72)
Proceeds from sale of investments	14,006.05	8,541.74
Purchase of investments	(15,383.23)	(7,757.63)
Investment in subsidiary	(4,667.13)	(1,481.97)
Proceeds from sale of property, plant and equipment	80.54	5.44
Interest income received	65.20	66.51
Investment in bank deposits (having original maturity more than 3 months)	(542.48)	(1.88)
Net Cash (used in) Investing Activities (B)	(7,425.12)	(706.51)
C Cash Flow from Financing Activities:		
Proceeds from loans and borrowings	6,903.00	1,269.00
Repayment of lease liabilities including interest	(2,564.91)	(2,074.41)
Finance costs paid	(385.62)	(183.03)
Net Cash generated from / (used in) Financing Activities (C)	3,952.47	(988.44)
D Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(28.70)	115.63
Cash and cash equivalents at the beginning of the year	193.49	77.86
Cash and cash equivalents at the close of the year	164.79	193.49
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalent as per above comprises of the following:	31 March 2022	31 March 2021
Balances with banks in current accounts	139.31	163.51
Cash on hand	25.48	29.98
Cash and cash equivalents as per Standalone statement of cash flows	164.79	193.49

Note:

Reconciliation of borrowings

	Year ended 31 March 2022	Year ended 31 March 2021
Opening borrowings	2,129.62	904.71
Proceeds from long-term borrowings	6,903.00	1,269.00
Repayment of long-term borrowings	-	-
Non-cash adjustments (Fair value through Statement of changes in equity)	(1,173.17)	(44.09)
Closing borrowings	7,859.45	2,129.62

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 30 May 2022. These standalone financial results have been audited by the statutory auditors of the Company who have issued an unmodified audit report 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 31 March 2022	Quarter ended 31 March 2021
Balance at the beginning of the quarter	1,77,671	33,740
Granted during the quarter	5,11,364	-
Forfeited / lapsed during the quarter	39,001	33,740
Exercised during the quarter	-	-
Outstanding at the end of the quarter	6,50,034	-

5. The uncertainty on account of Covid - 19 outbreak continued to have adverse effect across the world economies including India in first half of this financial year. The second wave started tapering off towards the end of June/beginning of July 2021. The beauty, wellness and personal care retail industry as a whole has been adversely impacted particularly by way of periods of restricted operations including clinic closures due to lockdown. The third wave which was due to Omicron, a new variant of Covid, was the shortest as compared to the previous two waves. It started during the last week of December 2021 and lasted till the first week of February 22. This unprecedented disruption has had an adverse impact on the performance during the year and continues to impact the business. However, we do not anticipate material risk to business prospects over the medium to long term.

The Company has evaluated the impact of existing and anticipated effects of various factors including COVID-19 on its business operations and financial position on the basis of significant assumptions as per its review of current indicators of future economic conditions and taken necessary steps. 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, 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. Management believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets used for the preparation of these financial results.

Based on internal review, the Company would require funds for its operations and future development plans. The Company continues to enjoy financial support from the promoter group and has also received funding from them during the year. As per the management, the Company has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, in addition to the funds expected to be generated from the operating activities. The Company is closely monitoring the developments and 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.

Based on the aforesaid assessment, Management believes that as per estimates made prudently, the Company will continue to operate as a going concern i.e., continue its operations and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2022 despite the significant impact of COVID-19 and factors which continue to evolve and are therefore highly dependent on future circumstances.

6. Other income for the quarter and year ended 31 March 2022, includes Rs 22.23 lakhs and Rs 401.94 lakhs respectively on account of rent concessions as the Company has availed practical expedient of Ind AS 116.

7. 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.

8. Previous period's figures have been regrouped/reclassified wherever required to make them comparable with the figures for the current period in order to comply with the requirements of the amended schedule III to the Companies Act, 2013 effective April 2021.

Place : Mumbai

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Date: 30 May 2022

Chairman and Managing Director

RAJESH
RAMESH
MEHRA

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Date: 2022.05.30
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B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's 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 2022, attached herewith, (in which are included financial information from one [1] branch) being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (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 subsidiaries

Name of the Entity	Relationship
KME Holdings Pte. Ltd	Subsidiary
Kaya Middle East DMCC	Subsidiary
Kaya Middle East FZE	Step-down-subsiary
Iris Medical Centre LLC	Step-down-subsiary
Minal Medical Centre LLC - Dubai	Step-down-subsiary
Minal Medical Centre LLC - Sharjah	Step-down-subsiary
M M C Skin Clinic L.L.C.	Step-down-subsiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. 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 consolidated net loss and other comprehensive loss and other financial information of the Group for the year ended 31 March 2022.

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 reports of the other auditors referred

Registered Office:

Independent Auditor's Report (Continued)

Kaya Limited

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(s)

- a. We draw attention to Note 4 to the consolidated annual financial results, which explains the management's assessment of going concern assumption. The Group has incurred operational losses during the current financial year and the prior years and has a negative working capital position as of 31 March 2022 arising primarily from COVID 19 pandemic situation and other related factors. Based on the financial support from the promoter group along with funds available with the Group as of 31 March 2022, the management believes that Group will be able to meet its obligations within the next 12 months as and when they fall due. Accordingly, the management has prepared the Statement on a going concern basis.

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 profit/ 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 Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the 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,

Independent Auditor's Report (Continued)

Kaya Limited

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 financial statements on whether the company has adequate internal financial controls with reference to 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.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial results 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 paragraph (a) of "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company, 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 Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter(s)

- a. The consolidated annual financial results include the audited financial results of seven subsidiaries (including step-down subsidiaries), whose financial statements reflect total assets (before consolidation adjustments) of Rs. 31,241.23 lakhs as at 31 March 2022, total revenue (before consolidation adjustments) of Rs. 18,861.92 lakhs and total net (loss) after tax (before consolidation adjustments) of Rs. (4,262.15) lakhs and net cash inflows (before consolidation adjustments) of Rs 789.05 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 auditor's

Independent Auditor's Report (Continued)

Kaya Limited

reports on financial statements of these entities have been furnished to us by the management.

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 are as stated in 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 2022 being the balancing figure 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

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MEHRA

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Rajesh Mehra

Partner

Mumbai

30 May 2022

Membership No.: 103145

UDIN:22103145AJVRTR8528

Kaya Limited		
Consolidated Balance Sheet as at 31 March 2022		
(Rs. in lakhs)		
Particulars	31 March 2022 (Audited)	31 March 2021 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,989.05	6,406.22
Capital work-in-progress	-	55.50
Right-of-use asset	10,369.60	10,994.62
Goodwill	9,584.72	10,423.15
Other intangible assets	41.45	27.86
Intangible assets under development	204.91	88.99
Financial assets		
Investment	1.00	-
Other financial assets	921.32	930.64
Income tax assets	3.04	3.85
Other non-current assets	428.50	85.97
	25,543.59	29,016.80
Current assets		
Inventories	2,694.52	2,763.31
Financial assets	-	
Investments	2,561.88	1,135.17
Trade receivables	382.26	331.34
Cash and cash equivalents	1,985.42	1,225.08
Bank balances other than above	604.31	52.51
Loans	123.39	65.50
Other financial assets	925.96	885.28
Other current assets	1,278.11	1,328.75
	10,555.85	7,786.94
TOTAL ASSETS	36,099.44	36,803.74
EQUITY AND LIABILITIES		
Equity		
Share capital	1,306.41	1,306.41
Other equity	(1,461.82)	4,141.53
	(155.41)	5,447.94
Non-controlling interest	52.99	37.24
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	7,859.45	2,861.23
Lease liabilities	7,806.54	8,874.72
Provisions	959.44	1,407.37
	16,625.43	13,143.32
Current liabilities		
Financial liabilities		
Short term Borrowings	754.34	731.61
Lease liabilities	3,931.26	3,558.29
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	441.59	127.14
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	3,170.35	3,128.55
Other financial liabilities	1,209.25	945.11
Other current liabilities	8,877.40	9,002.03
Provisions	1,192.24	682.51
	19,576.43	18,175.24
TOTAL EQUITY AND LIABILITIES	36,099.44	36,803.74

Kaya Limited
Statement of Consolidated Financial Results for the quarter and year ended 31 March 2022

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		Refer Note 7	(Unaudited)	Refer Note 7	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	8,348.58	9,077.93	8,920.57	32,396.90	27,496.72
	(b) Other income (Refer Note 6)	134.25	203.87	272.54	1,177.62	1,478.50
	Total income	8,482.83	9,281.80	9,193.11	33,574.52	28,975.22
2	Expenses					
	(a) Cost of materials consumed	298.82	238.65	268.86	906.13	715.89
	(b) Purchase of stock-in-trade	17.14	34.32	111.51	89.26	145.33
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(45.02)	37.89	8.31	90.55	214.65
	(d) Employee benefits expense	3,644.83	3,730.71	3,436.21	13,874.09	11,528.13
	(e) Finance costs	425.02	387.86	379.54	1,565.58	1,479.87
	(f) Depreciation and amortisation expense	1,710.06	1,522.20	1,545.06	6,247.06	6,014.42
	(g) Impairment losses	1,537.11	-	25.51	1,537.11	25.51
	(h) Impairment of goodwill	808.38	-	-	808.38	-
	(i) Consumption of stores and spares	1,322.23	1,407.07	1,287.83	5,029.02	4,309.65
	(j) Other expenses	2,899.12	2,738.79	2,345.05	10,223.27	8,282.81
	Total expenses	12,617.69	10,097.49	9,407.88	40,370.45	32,716.26
3	(Loss) before tax (1 - 2)	(4,134.86)	(815.69)	(214.77)	(6,795.93)	(3,741.04)
4	Tax expense:					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
	Total tax expense	-	-	-	-	-
5	(Loss) for the period (3 - 4)	(4,134.86)	(815.69)	(214.77)	(6,795.93)	(3,741.04)
6	Other comprehensive income (gross of tax)					
	(a) Items that will not be reclassified to profit or loss	(144.61)	16.58	128.94	(94.87)	66.32
	Tax on above	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	38.06	15.16	54.67	(22.09)	(159.83)
	Tax on above	-	-	-	-	-
	Total other comprehensive income/(loss) (net of income tax)	(106.55)	31.74	183.60	(116.96)	(93.51)
7	Total comprehensive income for the period (5 + 6)	(4,241.41)	(783.95)	(31.17)	(6,912.89)	(3,834.55)
8	Net (loss) attributable to:					
	- Owners of the Company	(4,150.51)	(831.99)	(237.53)	(6,883.74)	(3,801.37)
	- Non Controlling Interest	15.65	16.30	22.76	87.81	60.33
	Total comprehensive income attributable to :					
	- Owners of the Company	(4,257.06)	(800.25)	(53.92)	(7,000.70)	(3,894.88)
	- Non Controlling Interest	15.65	16.30	22.76	87.81	60.33
9	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
10	Earnings per equity share (of Rs. 10 each) (not annualised):					
	(a) Basic	(31.77)	(6.37)	(1.82)	(52.69)	(29.10)
	(b) Diluted	(31.77)	(6.37)	(1.82)	(52.69)	(29.10)
	See accompanying notes to the consolidated financial results					

Kaya Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2022

(Rs. in lakhs)

	31 March 2022	31 March 2021
A Cash Flow from Operating Activities:		
Loss before tax	(6,795.93)	(3,741.04)
Adjustments:		
Depreciation and amortisation expense	6,247.06	6,014.42
Impairment loss	1,537.11	25.51
Impairment of goodwill	808.38	-
Employee share-based payment expenses	127.11	-
Liabilities written back to the extent no longer required (net)	(253.32)	(51.68)
Provision for doubtful debts	20.88	11.07
Finance cost	1,565.58	1,479.87
Profit on sale / discarding of property, plant and equipment (net)	(6.61)	(3.65)
Interest income	(42.86)	(19.37)
Profit on sale of current investments	(49.53)	(40.82)
Unwinding of discount on security deposits	(106.16)	(105.70)
Advances written off during the year	133.78	13.23
Unrealised foreign exchange loss / (gain)	8.69	42.88
Net gain on lease modification	(37.78)	(47.86)
Lease rent concessions	(478.35)	(1,190.88)
Operating profit before working capital changes	2,678.05	2,385.98
Changes in working capital:		
Decrease in Inventories	68.79	836.91
(Increase) / Decrease in Trade and other Receivables	(68.43)	114.15
(Increase) / Decrease in Other assets	(70.03)	209.63
Decrease in Loans	69.88	303.73
(Increase) in Financial assets	(99.87)	(96.87)
(Decrease) / Increase in Other financial liabilities	24.19	331.13
(Decrease) in Other current liabilities	(124.63)	(1,388.20)
(Decrease) / Increase in Provisions	(99.39)	209.55
Increase in Trade and other payables	609.57	250.80
Cash generated from operations	2,988.13	3,156.81
Income taxes refund	0.81	4.32
Net Cash generated from Operating Activities (A)	2,988.94	3,161.13
B Cash Flow from Investing Activities:		
Acquisition of property, plant and equipment	(1,595.26)	(287.98)
Proceeds from sale of property, plant and equipment	81.39	7.18
Proceeds from sale of investments	14,006.05	8,541.74
Purchase of investments	(15,383.23)	(7,757.63)
Interest income received	42.86	19.37
Investment in bank deposits (having original maturity more than 3 months)	(542.48)	(1.88)
Dividend paid to Minority Shareholders	(77.45)	(88.20)
Net Cash generated from / (used in) Investing Activities (B)	(3,468.13)	432.60
C Cash Flow from Financing Activities:		
Repayment of loans and borrowings	(708.88)	(581.04)
Proceeds from loans and borrowings	6,903.00	1,269.00
Repayment of lease liabilities including interest	(4,573.72)	(3,475.93)
Finance costs paid	(435.71)	(286.16)
Net Cash (used in) Financing Activities (C)	1,184.69	(3,074.13)
D Effect of exchange difference on translation of foreign currency cash and cash equivalents	54.84	(25.18)
E Net Increase in Cash and Cash Equivalents (A+B+C+D)	760.34	494.42
Cash and cash equivalents at the beginning of the year	1,225.08	730.66
Cash and cash equivalents at the close of the year	1,985.42	1,225.08

Note:

Reconciliation of borrowings

	Year ended 31 March 2022	Year ended 31 March 2021
Opening borrowings	3,592.84	2,967.45
Proceeds from long-term borrowings	6,903.00	1,269.00
Repayment of long-term borrowings	708.88	599.52
Non-cash adjustments (Fair value through Statement of changes in equity)	(1,173.17)	(44.09)
Closing borrowings	8,613.79	3,592.84

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 30 May 2022. These Consolidated results have been audited by the statutory auditors of the Company who have issued an 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 uncertainty on account of Covid - 19 outbreak continued to have adverse effect across the world economies including India in first half of this financial year. The second wave started tapering off towards the end of June/beginning of July 2021. The beauty, wellness and personal care retail industry as a whole has been adversely impacted particularly by way of periods of restricted operations including clinic closures due to lockdown. The third wave which was due to Omicron, a new variant of Covid, was the shortest as compared to the previous two waves. It started during the last week of December 2021 and lasted till the first week of February 22. This unprecedented disruption has had an adverse impact on the performance during the year and continues to impact the business. However, we do not anticipate material risk to business prospects over the medium to long term.

The Group has evaluated the impact of existing and anticipated effects of various factors including COVID-19 on its business operations and financial position on the basis of significant assumptions as per its review of current indicators of future economic conditions and taken necessary steps. 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, 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. Management believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets used for the preparation of these financial results.

Based on internal review, the Group would require funds for its operations and future development plans. The Group continues to enjoy financial support from the promoter group and has also received funding from them during the year. As per the management, the Group has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, in addition to the funds expected to be generated from the operating activities. The 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.

Based on the aforesaid assessment, Management believes that as per estimates made prudently, the Group will continue to operate as a going concern i.e., continue its operations and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2022 despite the significant impact of COVID-19 and factors which continue to evolve and are therefore highly dependent on future circumstances.

5. The Group has decided to relocate MMC Sharjah clinic from Sharjah to Nahda under the license of M M C Skin Clinic LLC effective 31-Aug-2021. Consequent to this, assets and liabilities of the Minal Medical Centre LLC, Sharjah business have been transferred to MMC Skin Clinic LLC, Nahda.

6. Other income for the quarter and year ended 31 March 2022, includes Rs 22.47 lakhs and Rs 478.35 lakhs (previous year Rs 200.31 lakhs and Rs 1,190.88 lakhs) respectively on account of rent concessions as the Group has availed practical expedient of Ind AS 116.

7. 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.

8. Previous period's figures have been regrouped/reclassified wherever required to make them comparable with the figures for the current period in order to comply with the requirements of the amended schedule III to the Companies Act, 2013 effective April 2021.

Place : Mumbai

Harsh Mariwala

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Mariwala

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Date: 30 May 2022

Chairman and Managing Director

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Kaya Limited

May 30, 2022

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', 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra(E), Mumbai 400051
NSE Symbol: KAYA

Subject: Declaration pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors of the Company have issued Audit Report on audited financial results (Standalone and Consolidated) for the financial year ended March 31, 2022 with unmodified opinion.

Thanking you.
For Kaya Limited,

Saurabhku
mar P Shah

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Date: 2022.05.30
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Saurabh Shah
Chief Financial Officer