

B S R & Co. LLP

Chartered Accountants

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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 2023, attached herewith, (in which are included financial information from one 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 2023.

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

- a. We draw attention to Note 5 to the standalone financial results, which explains the management's assessment of going concern assumption. The Company has incurred losses during the current financial year and the prior years and has a negative working capital position as of 31 March 2023. Based on the financial support from the promoter group along with funds available with the Company as of 31 March 2023, 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.

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 are 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.

Independent Auditor's Report (Continued)

Kaya Limited

- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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

- The standalone annual financial results include the results for the quarter ended 31 March 2023 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 RAMESH MEHRA
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Rajesh Mehra

Partner

Mumbai

24 May 2023

Membership No.: 103145

UDIN:23103145BGXWWH2866

Kaya Limited
Standalone Balance Sheet as at 31 March 2023

(Rs. in Lakhs)

Particulars	31 March 2023 (Audited)	31 March 2022 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,760.61	1,684.85
Right-of-use assets	6,532.99	6,304.12
Intangible assets	167.98	41.45
Intangible assets under development	80.64	113.48
Financial assets		
Investments	12,097.59	16,111.22
Other financial assets	705.28	921.32
Income tax assets	4.68	3.04
Other non-current assets	94.18	301.81
	22,443.95	25,481.29
Current assets		
Inventories	2,138.49	2,072.61
Financial assets		
Investments	2,100.88	2,561.89
Trade receivables	498.10	507.80
Cash and cash equivalents	1,571.28	164.79
Bank balances other than Cash and cash equivalents as above	4.47	604.31
Loans	11.68	8.48
Other financial assets	703.74	439.25
Other current assets	802.05	441.92
	7,830.69	6,801.05
TOTAL ASSETS	30,274.64	32,282.34
EQUITY AND LIABILITIES		
Equity		
Share capital	1,306.41	1,306.41
Other equity	281.04	7,705.00
	1,587.45	9,011.41
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	9,172.87	7,859.45
Lease liabilities	5,404.75	5,379.82
Provisions	176.43	188.13
	14,754.05	13,427.40
Current liabilities		
Financial liabilities		
Lease liabilities	2,250.85	2,150.97
Trade payables		-
Total outstanding dues of Micro enterprises and Small enterprises	522.55	441.59
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	780.56	869.34
Other financial liabilities	1,061.46	372.81
Other current liabilities	9,071.75	5,761.23
Short-term provisions	245.97	247.59
	13,933.14	9,843.53
TOTAL EQUITY AND LIABILITIES	30,274.64	32,282.34

Kaya Limited

Statement of Standalone Financial Results for the quarter and year ended 31 March 2023

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
		Refer Note 8	(Unaudited)	Refer Note 8	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	4,390.10	4,760.46	3,934.50	17,831.07	14,090.66
	(b) Other income	102.26	85.99	155.03	385.51	891.03
	Total income	4,492.36	4,846.45	4,089.53	18,216.58	14,981.69
2	Expenses					
	(a) Cost of materials consumed	234.31	222.48	298.82	872.71	906.13
	(b) Purchase of stock-in-trade	108.23	61.16	17.14	250.73	89.26
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(69.21)	57.21	(45.02)	213.36	90.55
	(d) Employee benefits expense	744.21	1,530.53	1,174.37	6,183.11	4,310.23
	(e) Finance costs	1,575.04	544.95	349.19	3,230.98	1,254.29
	(f) Depreciation and amortisation expense	781.05	739.31	994.17	2,939.92	3,295.63
	(g) Impairment losses on Investment (refer note 7)	1,070.00	2,943.63	-	4,013.63	-
	(g) Impairment losses on Property, Plant and Equipment	41.81	-	190.84	41.81	190.84
	(h) Consumption of stores and spares	651.24	658.67	502.79	2,336.03	1,867.62
	(i) Other expenses	1,767.67	1,639.86	1,459.78	6,682.88	5,524.70
	Total expenses	6,904.35	8,397.80	4,942.08	26,765.16	17,529.25
3	Loss before tax (1 - 2)	(2,411.99)	(3,551.35)	(852.55)	(8,548.58)	(2,547.56)
4	Tax expense:					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax charge	-	-	-	-	-
	Total tax expense	-	-	-	-	-
5	Net loss for the period (3 - 4)	(2,411.99)	(3,551.35)	(852.55)	(8,548.58)	(2,547.56)
6	Other comprehensive income / (loss)					
	(a) Items that will not be reclassified to profit or loss	22.84	(7.99)	(21.34)	(1.13)	(31.96)
	Tax on above	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-
	Tax on above	-	-	-	-	-
	Total other comprehensive loss	22.84	(7.99)	(21.34)	(1.13)	(31.96)
7	Total comprehensive income / (loss) for the period (5 + 6)	(2,389.15)	(3,559.34)	(873.89)	(8,549.71)	(2,579.52)
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 (Rs.)	10.00	10.00	10.00	10.00	10.00
9	Earnings per equity share (of Rs. 10 each) (not annualised):					
	(a) Basic	(18.46)	(27.18)	(6.53)	(65.44)	(19.50)
	(b) Diluted	(18.46)	(27.18)	(6.53)	(65.44)	(19.50)
	See accompanying notes to the standalone financial results					

Standalone Statement of Cash Flows for the year ended 31 March 2023

	(Rs. in lakhs)	
	31 March 2023	31 March 2022
A Cash Flow from Operating Activities:		
Loss before tax	(8,548.58)	(2,547.56)
Adjustments:		
Depreciation and amortisation expense	2,939.92	3,295.63
Impairment losses on Investment	4,013.63	-
Impairment losses on Property, Plant and Equipment	41.81	190.84
Employee share-based payment expenses	108.93	95.46
Liabilities written back to the extent no longer required (net)	(49.21)	(84.60)
Provision for doubtful debts	57.12	20.88
Finance costs	3,230.98	1,254.29
Profit on sale / discarding of property, plant and equipment (net)	(1.22)	(5.76)
Interest income	(75.81)	(109.24)
Unwinding of discount on security deposits	(122.00)	(106.16)
Unrealised foreign exchange loss	8.99	8.69
Net gain on sale of current investments	(99.58)	(49.53)
Advances written off during the year	37.90	72.16
Net gain on lease modification	-	(37.78)
Lease rental income	(1.66)	(401.94)
Operating profit before working capital changes	1,541.22	1,595.38
Changes in working capital:		
(Increase) / Decrease in inventories	(65.88)	210.34
(Increase) in trade and other receivables	(56.41)	(93.33)
(Increase) / Decrease in other assets	(417.91)	35.00
(Increase) / Decrease in loans	(69.46)	968.14
(Increase) / Decrease in financial assets	(21.12)	53.23
Increase in other current liabilities	3,310.52	144.40
Increase in other financial liabilities	484.38	128.27
(Decrease) in provisions	(14.19)	(32.81)
Increase in trade and other payables	41.39	434.52
Cash generated from operations	4,732.54	3,443.14
Income taxes paid (net of refund)	(1.64)	0.81
Net Cash generated from Operating Activities (A)	4,730.90	3,443.95
B Cash Flow from Investing Activities:		
Acquisition of property, plant and equipment	(1,591.68)	(984.07)
Proceeds from sale of property, plant and equipment	157.99	80.54
Proceeds from sale of investments	14,995.39	14,006.05
Purchase of investments	(14,434.80)	(15,383.23)
Investment in subsidiary	-	(4,667.13)
Interest income received	126.93	65.20
Investment in bank deposits (having original maturity more than 3 months)	599.74	(542.48)
Net Cash (used in) Investing Activities (B)	(146.43)	(7,425.12)
C Cash Flow from Financing Activities:		
Proceeds from loans and borrowings	1,300.00	6,903.00
Repayment of lease liabilities including interest	(2,986.13)	(2,564.91)
Finance costs paid	(1,491.84)	(385.62)
Net Cash (used in) / generated from Financing Activities (C)	(3,177.97)	3,952.47
D Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	1,406.49	(28.70)
Cash and cash equivalents at the beginning of the year	164.79	193.49
Cash and cash equivalents at the close of the year	1,571.28	164.79
Reconciliation of cash and cash equivalents as per the statement of cash flow		
Cash and cash equivalent as per above comprises of the following:		
Balances with banks in current accounts	529.77	139.31
Cash on hand	41.51	25.48
Fixed Deposit with Bank (original maturity less than 3 months)	1,000.00	-
Cash and cash equivalents as per Standalone Statement of cash flows	1,571.28	164.79

Kaya Limited**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 on 24 May 2023. 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 2023	Quarter ended 31 March 2022
Balance at the beginning of the quarter	7,44,830	1,77,671
Granted during the quarter	-	5,11,364
Forfeited / lapsed during the quarter	-	39,001
Exercised during the quarter	-	-
Outstanding at the end of the quarter	7,44,830	6,50,034

5. The Company has evaluated the impact of existing and anticipated effects of various factors 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. 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 previous year. Based on its Annual Operating Plan which has been approved by the Board of Directors, the Company will be able to meet its funding requirements including the need to fund its overseas operations. 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 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 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. During the year ended 31 March 2023, the Company has received an order from the Employees' Provident Fund Organisation Regional Office relating to earlier years towards additional liability in respect of various allowances to the employees not considered as part of wages. The Company is challenging the order and has filed Appeal u/s 7-I before the Hon CGIT and High court to set aside rejection order passed u/s 7B. Pending outcome of the proceedings, the Company on a conservative and best estimate basis, made provision of Rs 2,036.16 lakhs towards the said liability including interest thereon.

7. The losses of a subsidiary and a step down subsidiary company have fully eroded their net worth. While the companies continue to take steps to revamp their business operations, the gestation period to achieve the desired level of turnaround is taking longer than previously envisaged. Considering the aforesaid, the Company has recognised an impairment of Rs 4,013.63 lakhs for diminution in value of the said investments.

8. The figures of last quarter, are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year, which were subjected to review.

Place : Mumbai

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Chairman and Managing Director

Date: 24 May 2023

B S R & Co. LLP

Chartered Accountants

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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 2023, attached herewith, (in which are included financial information from one 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 entities

Name of the Entity	Relationship
Kaya Limited	Holding Company
KME Holdings Pte. Ltd	Subsidiary Company
Kaya Middle East DMCC	Subsidiary Company
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
M M C Skin Clinic L.L.C.	Step-down subsidiary
Kaya Skin Care Clinic Sole Proprietorship L.L.C	Step-down subsidiary
Kaya Skin Care Clinic L.L.C	Step-down subsidiary
Kaya Trading L.L.C	Step-down subsidiary
Kaya Beauty Clinic Sole Proprietorship LLC	Step-down subsidiary

Registered Office:

Independent Auditor's Report (Continued)

Kaya Limited

Kaya Skin Medical Centre LLC	Step-down subsidiary
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- 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 income and other financial information of the Group for the year ended 31 March 2023.

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 to in sub paragraph no. (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

We draw attention to Note 4 to the consolidated financial results, which explains the management's assessment of going concern assumption. The Group has incurred losses during the current financial year and the prior years and has a negative working capital position as of 31 March 2023. Based on the financial support from the promoter group along with funds available with the Group as of 31 March 2023, 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.

Further, the auditors of subsidiaries namely Kaya Middle East DMCC, Kaya Middle East FZE, Iris Medical Centre LLC and M M C Skin Clinic L.L.C. have, without modifying their opinion, reported that the entities have incurred loss during the year ended 31 March 2023 and as at the reporting date, the respective entities had accumulated losses, net current liabilities and deficit in equity funds vide their reports dated 19 May 2023, 19 May 2023, 18 May 2023, and 18 May 2023 respectively on the financial statements of the above entities for the year ended March 31, 2023 and that the respective shareholder has agreed to continue with the operations and the shareholder along with the ultimate parent company have agreed to provide continuing financial support to enable the respective entity to discharge its liabilities as and when they fall due. Accordingly, the financial statements of the respective entities have been prepared on a going concern basis.

Our opinion is not modified in respect of the above matters.

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

Independent Auditor's Report (Continued)

Kaya Limited

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, 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,

Independent Auditor's Report (Continued)

Kaya Limited

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 sub paragraph no. (a) of the "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

- a. The consolidated annual financial results include the audited financial results of 12 subsidiaries, whose financial results reflect total assets (before consolidation adjustments) of Rs. 27,344.54 lakhs as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 20,468.64 lakhs and total net (loss) after tax (before consolidation adjustments) of Rs. (11,779.98) lakhs and net cash outflows (before consolidation adjustments) of Rs 1,038.69 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 reports on financial statements/ financial results 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 2023 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

B S R & Co. LLP

Independent Auditor's Report (Continued)
Kaya Limited

were subject to limited review by us.

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

Chartered Accountants

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

RAJESH RAMESH
MEHRA

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Date: 2023.05.24
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Rajesh Mehra

Partner

Mumbai

24 May 2023

Membership No.: 103145

UDIN:23103145BGXWWI5751

Kaya Limited**Consolidated Balance Sheet as at 31 March 2023****(Rs. in lakhs)**

Particulars	31 March 2023 (Audited)	31 March 2022 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	4,952.78	3,989.05
Capital work-in-progress	0.99	-
Right-of-use asset	9,465.04	10,369.60
Goodwill	7,098.07	9,584.72
Intangible assets	167.98	41.45
Intangible assets under development	228.92	204.91
Financial assets		
Investment	1.00	1.00
Other financial assets	705.28	921.32
Income tax assets	4.68	3.04
Other non-current assets	114.53	428.50
	22,739.27	25,543.59
Current assets		
Inventories	2,947.43	2,694.52
Financial assets		
Investments	2,100.88	2,561.88
Trade receivables	353.96	382.26
Cash and cash equivalents	2,517.44	1,985.42
Bank balances other than Cash and cash equivalents as above	2,879.54	604.31
Loans	47.06	123.39
Other financial assets	1,267.61	925.96
Other current assets	2,142.76	1,278.11
	14,256.68	10,555.85
TOTAL ASSETS	36,995.95	36,099.44
EQUITY AND LIABILITIES		
Equity		
Share capital	1,306.41	1,306.41
Other equity	(11,680.76)	(1,461.82)
	(10,374.35)	(155.41)
Non-controlling interest	67.30	52.99
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	14,208.87	7,859.45
Lease liabilities	6,771.42	7,806.54
Provisions	1,458.96	959.44
	22,439.25	16,625.43
Current liabilities		
Financial liabilities		
Short term Borrowings	-	754.34
Lease liabilities	3,887.08	3,931.26
Trade payables		
Total outstanding dues of Micro enterprises and Small enterprises	520.09	441.59
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	4,495.75	3,170.35
Other financial liabilities	1,901.32	1,209.25
Other current liabilities	13,202.66	8,877.40
Short-term provisions	856.85	1,192.24
	24,863.75	19,576.43
TOTAL EQUITY AND LIABILITIES	36,995.95	36,099.44

Kaya Limited
Statement of Consolidated Financial Results for the quarter and year ended 31 March 2023
(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
		Refer Note 7	(Unaudited)	Refer Note 7	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	9,259.88	10,000.35	8,348.58	37,673.34	32,396.90
	(b) Other income	89.79	159.91	134.25	450.83	1,177.62
	Total income	9,349.67	10,160.26	8,482.83	38,124.17	33,574.52
2	Expenses					
	(a) Cost of materials consumed	234.31	222.47	298.82	872.71	906.13
	(b) Purchase of stock-in-trade	108.23	61.16	17.14	250.73	89.26
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(69.22)	57.21	(45.02)	213.35	90.55
	(d) Employee benefits expense	3,556.99	4,406.98	3,644.83	17,353.58	13,874.09
	(e) Finance costs	1,698.50	627.01	425.02	3,590.07	1,565.58
	(f) Depreciation and amortisation expense	1,552.42	1,523.85	1,710.06	6,012.76	6,247.06
	(g) Impairment losses	41.81	-	1,537.11	41.81	1,537.11
	(h) Impairment of goodwill (refer note 6)	2,836.07	439.39	808.38	3,275.46	808.38
	(i) Consumption of stores and spares	1,577.04	1,644.94	1,322.23	6,023.13	5,029.02
	(j) Other expenses	3,450.62	2,954.44	2,899.12	12,116.94	10,223.27
	Total expenses	14,986.77	11,937.45	12,617.69	49,750.54	40,370.45
3	(Loss) before tax (1 - 2)	(5,637.10)	(1,777.19)	(4,134.86)	(11,626.37)	(6,795.93)
4	Tax expense:					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
	Total tax expense	-	-	-	-	-
5	(Loss) for the period (3 - 4)	(5,637.10)	(1,777.19)	(4,134.86)	(11,626.37)	(6,795.93)
6	Other comprehensive income / (loss)					
	(a) Items that will not be reclassified to profit or loss	(58.34)	(23.72)	(144.61)	(129.49)	(94.87)
	Tax on above	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	(109.25)	42.68	38.06	360.77	(22.09)
	Tax on above	-	-	-	-	-
	Total other comprehensive income/(loss)	(167.59)	18.96	(106.55)	231.28	(116.96)
7	Total comprehensive income / (loss) for the period (5 + 6)	(5,804.69)	(1,758.23)	(4,241.41)	(11,395.09)	(6,912.89)
8	Net (loss) attributable to:					
	- Owners of the Company	(5,636.87)	(1,778.56)	(4,150.51)	(11,646.75)	(6,883.74)
	- Non Controlling Interest	(0.23)	1.37	15.65	20.38	87.81
	Total comprehensive income attributable to :					
	- Owners of the Company	(5,804.46)	(1,759.60)	(4,257.06)	(11,415.47)	(7,000.70)
	- Non Controlling Interest	(0.23)	1.37	15.65	20.38	87.81
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 (Rs.)	10.00	10.00	10.00	10.00	10.00
10	Earnings per equity share (of Rs. 10 each) (not annualised):					
	(a) Basic	(43.15)	(13.61)	(31.77)	(89.15)	(52.69)
	(b) Diluted	(43.15)	(13.61)	(31.77)	(89.15)	(52.69)
	See accompanying notes to the consolidated financial results					

Kaya Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2023

(Rs. in lakhs)

	31 March 2023	31 March 2022
A Cash Flow from Operating Activities:		
Loss before tax	(11,626.37)	(6,795.93)
Adjustments:		
Depreciation and amortisation expense	6,012.76	6,247.06
Impairment loss	41.81	1,537.11
Impairment of goodwill	3,275.46	808.38
Employee share-based payment expenses	154.11	127.11
Liabilities written back to the extent no longer required (net)	(66.66)	(253.32)
Provision for doubtful debts	57.12	20.88
Finance cost	3,590.07	1,565.58
Profit on sale / discarding of property, plant and equipment (net)	(1.22)	(6.61)
Interest income	(106.05)	(42.86)
Profit on sale of current investments	(99.58)	(49.53)
Unwinding of discount on security deposits	(122.00)	(106.16)
Advances written off during the year	37.90	133.78
Unrealised foreign exchange loss / (gain)	8.99	8.69
Net gain on lease modification	-	(37.78)
Lease rent concessions	(1.66)	(478.35)
Operating profit before working capital changes	1,154.68	2,678.05
Changes in working capital:		
(Increase) / Decrease Inventories	(252.91)	68.79
(Increase) in Trade and other Receivables	(37.81)	(68.43)
(Increase) in Other assets	(908.20)	(70.03)
(Increase) / Decrease in Loans	(66.84)	69.88
Decrease / (Increase) in Financial assets	1.20	(99.87)
Increase in Other financial liabilities	463.98	24.19
Increase / (Decrease) in Other current liabilities	4,325.26	(124.63)
Increase / (Decrease) in Provisions	129.51	(99.39)
Increase in Trade and other payables	1,470.56	609.57
Cash generated from operations	6,279.43	2,988.13
Income taxes refund	(1.64)	0.81
Net Cash generated from Operating Activities (A)	6,277.79	2,988.94
B Cash Flow from Investing Activities:		
Acquisition of property, plant and equipment	(2,496.34)	(1,595.26)
Proceeds from sale of property, plant and equipment	157.99	81.39
Proceeds from sale of investments	14,995.39	14,006.05
Purchase of investments	(14,434.80)	(15,383.23)
Interest income received	101.50	42.86
Investment in bank deposits (having original maturity more than 3 months)	(2,275.23)	(542.48)
Dividend paid to Minority Shareholders	(25.01)	(77.45)
Net Cash generated from / (used in) Investing Activities (B)	(3,976.50)	(3,468.13)
C Cash Flow from Financing Activities:		
Repayment of loans and borrowings	(754.34)	(708.88)
Proceeds from loans and borrowings	6,336.00	6,903.00
Repayment of lease liabilities including interest	(5,785.51)	(4,573.72)
Finance costs paid	(1,628.93)	(435.71)
Net Cash (used in) Financing Activities (C)	(1,832.78)	1,184.69
D Effect of exchange difference on translation of foreign currency cash and cash equivalents	63.51	54.84
E Net Increase in Cash and Cash Equivalents (A+B+C+D)	532.02	760.34
Cash and cash equivalents at the beginning of the year	1,985.42	1,225.08
Cash and cash equivalents at the close of the year	2,517.44	1,985.42
Reconciliation of cash and cash equivalents as per the statement of cash flow		
	31 March 2023	31 March 2022
Cash and cash equivalent as per above comprises of the following:		
Balances with banks in current accounts	1,259.45	1,922.62
Cash on hand	93.78	62.80
Fixed Deposit with Bank (original maturity less than 3 months)	1,164.21	-
Cash and cash equivalents as per Consolidated Statement of cash flows	2,517.44	1,985.42

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 24 May 2023. 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 Group has evaluated the impact of existing and anticipated effects of various factors 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. 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 previous year. Based on its Annual Operating Plan which has been approved by the Board of Directors, the Group will be able to meet its funding requirements including the need to fund its overseas operations. 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 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 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. During the year ended 31 March 2023, the Holding company has received an order from the Employees' Provident Fund Organisation Regional Office relating to earlier years towards additional liability in respect of various allowances to the employees not considered as part of wages. The Holding company is challenging the order and has filed Appeal u/s 7-I before the Hon CGIT and High court to set aside rejection order passed u/s 7B. Pending outcome of the proceedings, the Holding company on a conservative and best estimate basis, made provision of Rs 2,036.16 lakhs towards the said liability including interest thereon.
6. The losses of a step down subsidiary company of the Group have fully eroded its net worth. While the step down subsidiary company continues to take steps to revamp its business operations, the gestation period to achieve the desired level of turnaround is taking longer than previously envisaged. Considering the aforesaid, the Group has recognised an impairment of goodwill of Rs 3,275.46 lakhs.
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.

Place : Mumbai

Date: 24 May 2023

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Harsh Mariwala

**Harshraj
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Chairman and Managing Director

Kaya Limited

May 24, 2023

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, 2023 with unmodified opinion.

Thanking you.
For Kaya Limited,

SAURABHK
UMAR
PRADYUMA
N SHAH

Digitally signed by SAURABHKUMAR
PRADYUMAN SHAH
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Date: 2023.05.24 16:32:06 +05'30'

Saurabh Shah
Chief Financial Officer