

KAL/COR/BSE/09/ 937/2022

14th February, 2022

The Manager

Dept. of Corporate Services,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

Dear Sir,

Sub: **Outcome of Board meeting of Kerala Ayurveda Ltd.**

Ref: **Our Letter No. KAL/COR/BSE/09/ 44/2022 dated 7th February, 2022**

With reference to the above we would like to inform you that the Board Meeting of Kerala Ayurveda Limited was held today, i.e. Monday, the 14th day of February, 2022 as scheduled which commenced at 11.30 a.m., and concluded at 2.30 p.m.

The Board considered and approved pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Unaudited Standalone and Consolidated Financial Results of the Company along with the Limited Review Report for the quarter and nine months ended 31st December, 2021.

This has been duly reviewed and recommended by the Audit Committee.


The copy of a Press Release being issued in this regard is also attached herewith.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Kerala Ayurveda Ltd.



Dr.K.Anilkumar
Executive Director

Kerala Ayurveda Limited

CIN - L24233KL 1992PLC006592

Regd. Office

Athani Post, Ernakulam District
Kerala - 683 585, India.

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www.keralaayurveda.biz

KERALA AYURVEDA LTD

Regd. off: VII/415, Nedumbassery, Athani PO-683585, Aluva,
Kerala.

www.keralaayurveda.biz

February 14, 2022

Financial Results for Q3 & 9-Months of FY 2021-22

KAL HAS CONTINUED TO MAKE GOOD PROGRESS DESPITE MAJOR COVID ADVERSE IMPACT, INCLUDING THE RECENT (APR-JUN, DELTA) & (OCT-DEC, OMICRON) WAVES.

CONSOLIDATED BUSINESS GROWTH IS HEALTHY, DESPITE THE SEVERE IMPACT ON OUR PROFITABLE HEALTH SERVICE & AYURVEDAGRAM BUSINESS IN INDIA.

WE ARE CONFIDENT OF SUSTAINABLE AND PROFITABLE GROWTH AS WE INVEST BEHIND USA, DIGITISATION AND A NEW EXCITING PRODUCTS PORTFOLIO

1. From August 2020, KAL has been working to re-engineer the business with following strategic priorities. This has been shared with the Board and the BSE since mid-2020.

- 1: Sustain the business. Survive.
- 2: Convert Fixed Costs to Variable costs.
- 3: Reimagine, Reconstruct, Re-engineer KAL
 - Revised cost structures
 - Innovation
 - Build Consumer Portfolio
 - Focus on Digital
 - US and Global business to build long term profitability

We have largely executed as mentioned above.

2. Consolidated sales revenue for YTD FY 21-22 has increased by 32% Vs FY 20-21 and 4% Vs FY 19-20, despite COVID 2nd / 3rd wave during this period.

- Q3 momentum Vs Q2 slowed down marginally due to Covid and temporary e-commerce challenges
- However, growth trends for FY 21-22 continues to be Positive.
- Distribution of products to Doctors rebounded strongly in FY 21-22.
- Digital India & US Biz continued uninterrupted growth.
- Consolidated business growth Vs Pre-Covid in FY 19-20 is very encouraging.

3. KAL maintained profit since COVID break.

- Consolidated EBITDA (9 months), increased from Rs. 340 Lakhs in FY 20-21 to Rs. 754 Lakhs in FY 21-22
- Consolidated PAT (9 months), improved from loss of Rs. 89 Lakhs in FY 20-21 to Rs. 239 Lakhs in FY 21-22. Gross profit increased from 63% to 66%.

4. Growth is led by India e-commerce & US business.

- **Distribution:** Significant profitability increase by restructuring discounts. Progress in profitability has been a major development which gives us promise for the future.
- **Health Services:** HS & Ayurvedagram profitability has eroded from a high of Rs 337 Lakhs in FY 19-20 to Rs 104 Lakhs in FY 21-22 because of Covid cancellations and travel restrictions for overseas customers. We have dramatically reduced fixed costs and this vertical is now profitable even at lower business levels. We will wait for normalcy to return before HS can be a major profit contributor as it was before.
- **Digital businesses:** Our investment in this new vertical is beginning to pay-off. We will continue to invest in ecommerce consumer product portfolio and digital marketing.
- **US Business:** This predominantly online business has demonstrated an ability to increase profits YoY despite significant investments.
- Digital & US business, together with an expanded consumer portfolio, will be the key growth drivers in revenue & profitability in coming years.

5. Future outlook is bright

- We will continue to re-engineer the financial spine to cut fixed costs and manage variable costs
- Continued and relentless focus on Digitization
- Dramatically expand profitable US business by selective investment behind digital and alumni network with new products that have been launched.
- Focus on direct reach to Doctors, through Digital.
- Restructure & Streamline organization to Optimize costs.
- Invest in new skills to match the changing environment.

About Kerala Ayurveda Limited

Kerala Ayurveda Ltd is one of the oldest (founded 75 years ago) **full Spectrum-Listed Ayurveda companies in the world**. The company enshrines the authentic, traditional form of **Ayurveda and Yoga from Kerala**, with an ancient lineage going back 5,000 years. **Its footprint spans Academies, Wellness Resorts, Hospitals, Clinics, Products and Services across India & USA**. KAL has over 400 products and touches 100,000 patients/year. Kerala Ayurveda Academy, based in California, USA, has trained and certified over **2,000 'graduates'**. KAL has over 6,000 hours of education programs **certified by States of California and Washington**.

For more information visit us at www.keralaayurveda.biz

Safe Harbor

Certain statements in this release are forward looking statements which involve a number of risks and uncertainties that could cause actual results and outcomes to differ materially from those in such forward looking statements. The risks and uncertainties relate to changes and variations in the project, unexpected delays in development, obtaining regulatory approvals, etc. The statements in this release represent Kerala Ayurveda's expectations and beliefs as of the date of this release. Kerala Ayurveda anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while Kerala Ayurveda may elect to update these forward-looking statements at somepoint in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Kerala Ayurveda's expectations or beliefs as of any date subsequent to the date of this release.

www.keralaayurveda.biz | www.ayurvedagram.com | www.ayurvedaacademy.com
www.keralaayurvedaacademy.com | www.thehealthvillage.biz | www.keralaayurveda.us

Maharaj Rajan & Mathew

CHARTERED ACCOUNTANTS

Limited Review Report on Unaudited Standalone Financial results of Kerala Ayurveda Limited for the quarter ended 31st December 2021 and year to date results for the period from 1st April 2021 to 31st December 2021 pursuant to Regulations 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To Board of Directors of Kerala Ayurveda Limited,

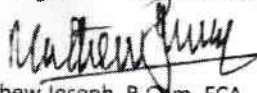
1. We have reviewed the accompanying Statement of unaudited standalone financial results of Kerala Ayurveda Limited ("the Company") for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Maharaj Rajan and Mathew
Chartered Accountants
Firm Registration Number 0019325



Mathew Joseph, B.Com, FCA
Partner
Membership No. 022658
(UDIN : 22022658ABYKNI8528)



Place : Ernakulam

Date: 14-02-2022



KERALA AYURVEDA LTD



Regd. Off: VII/415, Nedumbassery, Athani P.O-683 585, Kerala. CIN: L24233KL1992PLC006592

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STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DEC, 2021

Rs. In lakhs

SL	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		31st Dec, 2021	30th Sept, 2021	31st Dec, 2020	31st Dec, 2021	31st Dec, 2020	31st March, 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a)Gross Income from Operations	1,423.62	1,420.55	1,298.74	4,038.71	3,143.81	4,320.28
	Less: GST/ED & VAT	99.45	105.24	94.51	286.82	230.82	310.10
	Revenue from Operations	1,324.17	1,315.31	1,204.23	3,751.89	2,913.00	4,010.18
	b)Other Income	7.13	7.12	4.46	21.35	11.90	17.15
	Total Income	1,331.31	1,322.43	1,208.69	3,773.24	2,924.90	4,027.33
2	Expenses		0.00				
	a) Cost of Materials consumed & Purchase of Stock in Trade	420.34	475.81	481.84	1,198.52	937.43	1,292.44
	b) Changes in Inventories of Finished Goods, WIP & Stock in Trade	-8.93	-76.23	-64.03	-36.56	60.00	164.75
	c) Employee Benefits Expense	337.36	317.20	335.21	944.08	884.37	1,306.43
	d) Finance Costs	144.64	164.19	158.96	467.09	406.91	604.75
	e) Depreciation & Amortisation Expense	19.51	19.27	20.41	57.01	60.48	81.51
	f) Other Expenses	402.83	387.84	367.03	1,123.47	877.24	1,235.06
	Total Expenses	1,315.75	1,288.07	1,299.42	3,753.62	3,226.44	4,684.94
3	Profit /(Loss) from Ordinary Activities before Tax &	15.56	34.36	-90.73	19.62	-301.55	-657.60
4	Extraordinary Item	0.00	0.00	0.00	0.00	0.00	0.00
5	Profit /(Loss) for the Period before Tax [3-4]	15.56	34.36	-90.73	19.62	-301.55	-657.60
6	Tax Expense	3.92	9.69	-22.01	4.94	-78.40	-162.55
7	Profit /(Loss) for the Period after Tax [5-6]	11.64	24.67	-68.72	14.68	-223.14	-495.05
8	Other Comprehensive Income		0.00				
	a) Items that will not be reclassified to Profit or Loss	8.62	8.62	8.05	25.85	24.16	32.21
9	Profit for the period (7-8)	20.26	33.29	-60.67	40.53	-198.99	-462.84
10	Paid up Equity share capital (Equity shares of Rs. 10/- each)	1,055.57	1,055.57	1,055.57	1,055.57	1,055.57	1,055.57
11	Other Equity						-51.45
12	Earnings per Equity Share:Basic & diluted before extraordinary item [Nominal value of shares Rs. 10/- each] <i>Not Annualised</i>	0.19	0.32	-0.57	0.38	-1.89	-4.38
	Earnings per Equity Share:Basic & diluted after extraordinary item [Nominal value of shares Rs. 10/- each] <i>Not Annualised</i>	0.19	0.32	-0.57	0.38	-1.89	-4.38

Notes:

- The Financial Results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and relevant amendments thereafter.
- The Financial Results for the Nine month and Three month ended Dec 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2022. The Limited Review of these results as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the Statutory Auditors of the company.
- In accordance with Ind AS 108 on "Operating Segments", the company operated in one business segment viz. Ayurveda Business and hence segment information is not required to be furnished.
- Figures of the corresponding previous period have been regrouped/rearranged wherever necessary to confirm to the classification of the current period.

By order of the Board
For KERALA AYURVEDA LIMITED,

Dr K Anilkumar
Whole Time Director
(DIN 00226353)

Bengaluru
Feb 14th, 2022

Maharaj Rajan & Mathew

CHARTERED ACCOUNTANTS

Limited Review Report on Unaudited Consolidated Financial results of Kerala Ayurveda Limited for the quarter ended 31st December 2021 and year to date results for the period from 1st April 2021 to 31st December 2021 pursuant to Regulations 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To Board of Directors of Kerala Ayurveda Limited,

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Kerala Ayurveda Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and Nine months ended December 31, 2021 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:

Parent Company Kerala Ayurveda Limited

Subsidiary Companies

- i. Ayurvedagram Heritage Wellness Centre Pvt Ltd, India
- ii. Ayurvedic Academy Inc., USA
- iii. Suveda Inc., USA
- iv. Ayu Natural Medicine Clinic, PS, USA
- v. CMS Katra Holdings LLC, USA
- vi. CMS Katra Nursing LLC, USA, stepdown wholly owned subsidiary of CMS Katra Holdings LLC, USA
- vii. NutravedaPte Ltd, Singapore

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information of one subsidiary included in the Statement, whose interim financial information reflect total revenues of Rs 355.91 Lakhs (before consolidation adjustments), total net loss after tax of Rs 0.51 Lakhs (before consolidation adjustments) for the quarter ended 31st December 2021 and for the period from 1st April to 31st December respectively as considered in the Statement. This interim financial information have been reviewed by other auditors whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

Place: Ernakulam

Date: 14.02.2022

For Maharaj Rajan and Mathew

Chartered Accountants

Firm Registration Number 0019325

Mathew Joseph

Mathew Joseph, B.Com, FCA

Partner

Membership No. 022658

(UDIN: 22022658ABYLVJ5057)





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STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DEC, 2021

SL	Particulars	Quarter Ended			Nine Month Ended		Rs. In lakhs
		31st Dec, 2021	30th Sept, 2021	31st Dec, 2020	31st Dec, 2021	31st Dec, 2020	Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a)Gross Income from Operations	2,086.20	2,003.78	1,772.79	5,834.44	4,433.66	6,207.40
	Less: GST/ED & VAT	99.45	105.24	94.51	286.82	230.82	310.10
	Revenue from Operations	1,986.75	1,898.54	1,678.27	5,547.62	4,202.84	5,897.30
	b)Other Income	8.05	7.72	5.69	25.95	16.53	11.23
	Total Income	1,994.80	1,906.25	1,683.96	5,573.58	4,219.38	5,908.53
2	Expenses						
	a) Cost of Materials consumed & Purchase of Stock in Trade	495.47	428.33	491.75	1,258.61	1,016.90	1,329.71
	b) Changes in Inventories of Finished Goods, WIP & Stock in Trade	-8.89	-77.05	-63.33	-37.64	63.97	168.99
	c) Employee Benefits Expense	607.84	546.93	567.60	1,706.76	1,434.37	2,199.91
	d) Finance Costs	169.51	168.44	168.89	501.30	436.47	632.20
	e) Depreciation & Amortisation Expense	29.74	28.69	31.94	88.83	94.84	127.79
	f) Other Expenses	431.46	934.52	441.16	1,891.65	1,363.97	2,123.78
	Total Expenses	1,725.12	2,029.86	1,638.01	5,409.52	4,410.53	6,582.36
3	Profit/(Loss) from Ordinary Activities before Tax & Extraordinary Item	269.67	-123.61	45.95	164.06	-191.15	-673.83
4	Profit/(Loss) for the Period before Tax [3-4]	272.59	-46.58	45.95	244.00	-191.15	-673.83
5	Tax Expense	2.37	10.19	-41.36	5.08	-102.46	-189.47
6	Profit/(Loss) for the Period after Tax [5-6]	270.22	-56.76	87.31	238.92	-88.70	-484.36
7	Other Comprehensive Income						0.00
	a) Items that will not be reclassified to Profit or Loss	8.62	-68.58	8.05	25.85	24.16	32.21
8	Profit for the period (7-8)	278.83	-125.34	95.36	264.77	-64.54	-452.15
9	Paid up Equity share capital (Equity shares of Rs.10/- each) <i>Not Annualised</i>	1,055.57	1,055.57	1,055.57	1,055.57	1,055.57	1,055.57
10	Other Equity						-263.07
11	Earnings per Equity Share:Basic & diluted before extraordinary item [Nominal value of shares Rs. 10/- each] <i>Not Annualised</i>	2.61	-1.92	0.90	1.75	-0.61	-4.28
12	Earnings per Equity Share:Basic & diluted after extraordinary item [Nominal value of shares Rs. 10/- each] <i>Not Annualised</i>	2.64	-1.19	0.90	2.51	-0.61	-4.28
A	Profit for the year attributable to:						
	Owners of the Company	270.22	-56.76	81.31	238.92	-103.71	-484.36
	Non-Controlling Interest	0.00	0.00	6.00	0.00	15.02	0.00
B	Other Comprehensive Income for the year attributable to:						
	Owners of the Company	8.62	-68.58	8.05	25.85	24.16	32.21
	Non-Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.00
C	Total Comprehensive Income for the year attributable to:						
	Owners of the Company	278.83	-125.34	89.36	264.77	-79.55	-452.15
	Non-Controlling Interest	0.00	0.00	6.00	0.00	15.02	0.00

Notes:

- The aforementioned results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February, 14 2022. The Limited Review of these results, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Statutory Auditors of the Parent Company.
- The figures for quarter ended December 31, 2021 are approved by the Parent's Board of Directors, but have not been subjected to review. The figures for the quarter ended December 31, 2022 are the balancing figures between year-to-date figures for six month ended 30th September 2021 and the year-to-date figures for the nine months ended December 31, 2021, as approved by the Parent's Board of Directors, but have not been subjected to review.
- The Company has considered the possible risk that may result from the pandemic relating to COVID-19 and expects to recover the carrying amount of all its assets including inventories, receivables, investments and other financial and non-financial assets in the ordinary course of business based on the internal and external information available upto the date of approval of these financial results. The Company is continuously monitoring any material changes in economic conditions.
- In accordance with Ind AS 108 on "Operating Segments", the company operated in one business segment viz. Ayurveda Business and hence segment information is not required to be furnished.
- Figures of the corresponding previous period have been regrouped/rearranged wherever necessary to confirm to the classification of the current period.

By order of the Board
For KERALA AYURVEDA LIMITED,

Dr K Anilkumar
Whole Time Director
(DIN 00226353)

Bengaluru
Feb 14th, 2022