



KERALA AYURVEDA LTD

(Formerly Kerala Ayurveda Pharmacy Limited)

Regd. office :VII/415, Nedumbassery, Athani P.O-683 585, Kerala.

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Unaudited Financial Results for the Quarter ended 31st December, 2007

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Rupees in Lacs

| INCOME / EXPENDITURES | Quarter Ended | | Nine Months Ended | | Year Ended |
|--|-----------------|---------------|-------------------|-----------------|-----------------|
| | 31.12.07 | 31.12.06 | 31.12.07 | 31.12.06 | 31.03.07 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. Net Income from Sales/Service | 407.04 | 550.45 | 1,457.65 | 1,185.97 | 1,619.97 |
| 2. Other Income | 20.27 | 11.11 | 38.86 | 28.13 | 58.81 |
| Total Income | 427.31 | 561.56 | 1,496.51 | 1,214.10 | 1,678.78 |
| 3. (Increase) / Decrease in Stocks | (72.53) | (32.50) | (48.77) | (55.46) | (80.61) |
| 4. Consumption of Raw materials | 141.95 | 206.07 | 499.55 | 388.11 | 514.91 |
| 5. Other Manufacturing Expenditure | 48.28 | 44.61 | 120.04 | 109.64 | 161.19 |
| GROSS PROFIT | 309.61 | 343.38 | 925.69 | 771.81 | 1,083.29 |
| 6. Staff Cost | 176.52 | 143.98 | 527.04 | 317.11 | 488.11 |
| 7. General Administrative Expenses | 78.81 | 85.87 | 236.32 | 201.23 | 267.51 |
| 8. Selling and Distribution Expenses | 108.70 | 58.31 | 342.06 | 132.90 | 218.29 |
| Total Expenditure | 481.73 | 506.34 | 1,676.24 | 1,093.53 | 1,569.40 |
| EBITDA | (54.42) | 55.22 | (179.73) | 120.57 | 109.38 |
| 9. Interest | 44.82 | 44.32 | 138.44 | 121.50 | 166.95 |
| 10.a) Depreciation | 15.52 | 10.50 | 45.31 | 31.50 | 50.30 |
| b) Amortisation | 24.96 | - | 76.22 | - | 94.56 |
| 11. Profit /(-) Loss before Tax | (139.72) | 0.40 | (439.70) | (32.43) | (202.43) |
| 12. Provision for Tax:- | | | | | |
| Deferred Tax | | | | | 43.78 |
| Fringe Benefit Tax | 1.27 | 1.24 | 3.68 | 2.81 | 4.55 |
| 13. Net Profit / (-) Loss | (140.99) | (0.84) | (443.38) | (35.24) | (163.20) |
| 14. Paid up equity share capital (Equity shares of Rs. 10/- each) | 1,055.57 | 805.82 | 1,055.57 | 805.82 | 1,055.57 |
| 15. Reserves excluding revaluation Reserve | | | | | 1,194.24 |
| 16. Earning Per share (Not annualised) | (1.34) | (0.01) | (4.20) | (0.44) | (1.54) |
| 17. Aggregate of Non-Promoter share holding | | | | | |
| - Number of Shares | 40,62,235 | 40,62,210 | 40,62,235 | 40,62,210 | 40,62,235 |
| - Percentage of Share holding | 38.48 | 50.41 | 38.48 | 50.41 | 38.48 |

Segmentwise Revenue, Results and Capital employed for the Quarter and Nine months ended 31st December, 2007

| Particulars | Quarter Ended | | Nine Months Ended | | Year Ended |
|--|-----------------|-----------------|-------------------|-----------------|-----------------|
| | 31.12.07 | 31.12.06 | 31.12.07 | 31.12.06 | 31.03.07 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. Segment Revenue | | | | | |
| a) Ayurveda Business | 415.90 | 359.36 | 1,162.05 | 1,011.90 | 1,369.27 |
| b) Healthcare Software Business | 11.41 | 202.20 | 334.46 | 202.20 | 309.51 |
| Total | 427.31 | 561.56 | 1,496.51 | 1,214.10 | 1,678.78 |
| Less-Inter Segment Revenue | - | - | 1.75 | - | - |
| Gross Sales / Income from Operation | 427.31 | 561.56 | 1,494.76 | 1,214.10 | 1,678.78 |
| 2. Segment Result | | | | | |
| a) Ayurveda Business | (34.71) | (7.78) | (184.87) | 36.57 | (52.44) |
| b) Healthcare Software Business | (19.51) | 52.50 | (2.11) | 52.50 | 94.67 |
| Total | (54.22) | 44.72 | (186.98) | 89.07 | 42.23 |
| Less: Interest (Not Allocable) | 44.82 | 44.32 | 138.44 | 121.50 | 166.95 |
| Other Unallocable Expenditure | 40.68 | - | 114.28 | - | 77.71 |
| Total Profit / (Loss) before Tax | (139.72) | 0.40 | (439.70) | (32.43) | (202.43) |
| 3. Capital Employed | | | | | |
| A) Ayurveda Business | 2,600.64 | 1,677.25 | 2,600.64 | 1,677.25 | 2,518.67 |
| B) Healthcare Software Business | 403.78 | 220.00 | 403.78 | 220.00 | 248.90 |
| C) Other unallocable-Invst. in Subsidiaries listed below | 1,145.06 | - | 1,145.06 | - | 1,130.51 |
| Total Capital Employed | 4,149.48 | 1,897.25 | 4,149.48 | 1,897.25 | 3,898.08 |

Notes:

- The above unaudited results for the Quarter ended 31st Dec, 2007, were reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 31st Jan, 2008.
- The Auditors of the company have carried out the limited review of the above financial results.
- During Oct 2007, the company's subsidiary CMS-Katra Holdings LLC, USA acquired a 51% equity stake in US Based CMS-Katra Nursing LLC, which acquired the entire business and assets of CMS Inc, a leading healthcare staffing company based in Florida, USA.
- The aggregate financial results of the company & its subsidiaries - Ayurvedagram Heritage Wellness Centre, Ayu Inc, USA, Ayu Natural Medicine Clinic PS, USA, Ayurvedic Academy Inc, USA, Katrasoft Europe GmbH, Germany, CMS Katra Holdings LLC, USA and CMS Katra Nursing LLC, USA for the quarter is as under:

| Particulars | Quarter Ended 31/12/2007 | | | Nine Months Ended 31/12/2007 | | |
|----------------------|--------------------------|----------|--------|------------------------------|----------|--------|
| | Revenues | PAT | EPS | Revenues | PAT | EPS |
| (Amount Rs. in Lacs) | 831.21 | (241.96) | (2.29) | 2091.97 | (716.99) | (6.79) |

- Kerala Ayurveda has two business segments - Ayurveda Business and Healthcare Software Business.
- During the quarter ended 31st Dec 2007, 3 investor complaints were received and disposed off. There were no complaints pending for redressal as at the commencement and at the end of the quarter.
- Previous period figures have been regrouped & rearranged wherever necessary to conform to current period classification.

For and on behalf of the Board
For Kerala Ayurveda Limited,
sd/
Sonjoy Mohanty
(Managing Director & CEO)

Bangalore
31.01.2008