

ANNUAL REPORT

2015-2016

NUTRAVEDA INC.

8234A, 17 Ave NE,

SEATTLE WA 98115, USA

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NUTRAVEDA INC.

BOARD OF DIRECTORS

CHAIRMAN : Mr. Ramesh Vangal

DIRECTORS : Mr. Anand Subramanian

REGISTERED OFFICE : 8234 A, 17 Ave NE,
SEATTLE WA 98115,
USA

BRANCH OFFICE : 46500 Fremont Blvd, Suite#702
Fremont, CA 94538

BANKERS : WELLS FARGO BANK.

DIRECTORS' REPORT

Your directors have pleasure in presenting the 10th Annual Report on the business and operations of your company together with the Audited Accounts for the year ended 31st March 2016. While audit is not mandated in US for small enterprises, your company has got the accounts audited for the purpose of consolidation of its accounts with its parent company in accordance with the statutory requirements in India.

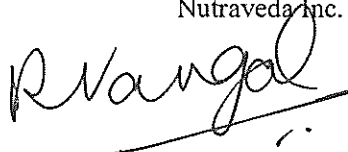
Financial Results

During the year under review, your company has achieved a turnover of \$ 58,630 (Previous Year \$ 31,432) and incurred a Profit of \$1,778 (previous year \$ 23,551 loss) for the company, before providing tax.

Acknowledgements

Your Directors wish to place on record the continued co-operation and support received from Bankers, employees, government departments, customers etc.

On behalf of the Board of Directors
Nutraveda Inc.



RAMESH VANGAL
Chairman

Date: April 29, 2016



Independent Auditor's Report

To the Members of

NUTRAVEDA INC

Report On the Financial Statement

We have audited the accompanying financial statements of NUTRAVEDA INC, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss for year and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give NIL statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

the Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

in our opinion, the Balance Sheet, Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Forming an Opinion and Reporting on Financial Statements

For NDS & CO
Chartered Accountants



S. Shreesh
Sanjay Shreesh
Partner
FRN NO 009804S

Place : **Bangalore**
Date : 29/04/2016

NUTRAVEDA INC.
8234A 17th Ave NE Seattle, WA 98115, USA

Balance Sheet as on March 31, 2016

EQUITY AND LIABILITIES	Schedules	As on March 31, 2016		As on March 31, 2015	
		Amount in USD		Amount in USD	
Stockholders Equity					
Common Stock					
100 shares of common stock with no Par value					
Stockholders Equity					
Retained Earnings		(\$962,853)		(\$964,631)	
Total Stockholders' Equity			(\$962,853)		(\$964,631)
Current Liabilities	2				
Accounts Payable		\$52,300		\$37,257	
Unsecured Loans		\$2,406,253		\$2,323,944	
Total Liabilities			\$2,458,553		\$2,361,201
Total Liabilities & Stockholders' Equity			\$1,495,699		\$1,396,570
ASSETS					
Fixed Asset	3				
Gross Block		\$79,019		\$79,019	
Less:- Depreciation		\$79,019		\$78,900	
Net Block			-		\$120
Investment	4		\$85,000		\$85,000
Current Assets	5				
Cash and Bank Balances		\$223		\$723	
Accounts Receivable		-		\$175	
Loans and Advances		\$1,410,476		\$1,310,552	
Total Current Assets			\$1,410,699		\$1,311,450
Total Assets			\$1,495,699		\$1,396,570

Schedules 1 to 9 form an integral part of this statement

In terms of our report attached.

For NDS & Co.,
Chartered Accountants
FRN:0098045



Sanjay Shreesha, B com, FCA
Partner
Membership No. 206099



On behalf of Board of Directors
For NUTRAVEDA INC.



Ramesh Vangal
Chairman

Place: Bengaluru
Date: April 29, 2016

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Income Statement
From April 1, 2015 to March 31, 2016

Particulars	Schedules	2015-16		2014-15	
		Amount in USD		Amount in USD	
Revenues					
Services & Products Sales	6	\$58,630		\$31,432	
Total Revenues			\$58,630		\$31,432
Cost of Goods Sold	7		\$46,247		\$17,643
Gross Profit			\$12,382		\$13,789
Expenses					
Administrative Expenses	8	\$8,907		\$28,655	
Financial Charges	9	\$1,578		\$7,449	
Amortization & Depreciation	3	\$120		\$1,236	
Sub Total			\$10,604		\$37,340
Net Income			\$1,778		(\$23,551)
Income Tax Provision/Estimate			-		-
Deficit Carried to Balance Sheet			\$1,778		(\$23,551)
Retained Earning Previous Year b/f			(\$964,631)		(\$941,081)
Retained Losses Transferred to Balance Sheet			(\$962,853)		(\$964,631)

Schedules 1 to 9 form an integral part of this statement
In terms of our report attached.

For NDS & Co.,
Chartered Accountants
FRN: 0098045

Sanjay Shreesha, B com, FCA
Partner
Membership No. 206099

Place: Bengaluru
Date: April 29, 2016



On behalf of Board of Directors
For **NUTRAVEDA INC.**

R Vangal
Ramesh Vangal
Chairman

Nutraveda Inc.

Schedule 1:

Note 1-Significant Accounting Policies

- 1.1 Basis for preparation of financial statements and method of accounting
The financial statements are prepared under the historical cost convention on accrual basis of accounting and in accordance with policies generally accepted in India including Accounting Standards issued by the Institute of Chartered Accountants of India.
The financial statements are presented in USD which is the company's functional currency. All financial information is presented in USD unless otherwise stated.
- 1.2 Use of estimates
The preparation of the financial statements in conformity with the accounting standards generally accepted in India requires the management to make estimates that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Actual results could differ from estimates.
- 1.3 Revenue Recognition
Sales are net of rebate, discount, Taxes. Treatment income & consulting charges is recognized on completion of each service & consultation.
- 1.4 Inventories
Raw materials, consumables and work-in-progress are valued at cost or net realizable value, whichever is lower.
- 1.5 Fixed Assets
 - a) Fixed assets are stated at cost less depreciation. Cost includes expenses related to acquisition and installation of fixed assets.
 - b) Depreciation is charged on Straight Line Method at the rates based on management's estimates of useful life.
- 1.6 Previous year figures have been re-grouped/ re-classified wherever necessary to correspond with current year classification/disclosure.



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Schedule 3 - Fixed Assets and Depreciation
For the period April 1, 2015 to March 31, 2016

	Gross Block					Depreciation		Net Block	
Particulars	Depreciat ion %	Cost as on April 1, 2015	Additions /Deletions	Cost as on March 31, 2016	Upto March 31, 2015	For the period	Upto March 31, 2016	As on March 31, 2016	As on March 31, 2015
Office Equipment	14.0%	9,707		\$9,707.29	\$9,587	\$120	\$9,707	\$0.00	\$119.82
Furniture & Fixtures	16.6%	17,956		\$17,956.05	\$17,956	\$0	\$17,956	\$0.00	\$0
Computers	40.0%	6,470		\$6,469.95	\$6,470	\$0	\$6,470	\$0.00	\$0
Remodel	20.0%	10,107		\$10,107.08	\$10,107	\$0	\$10,107	\$0.00	\$0
Lease Hold Improvements	20.0%	34,779		\$34,779.00	\$34,779	\$0	\$34,779	\$0.00	\$0
Total		79,019		\$79,019	\$78,900	\$120	\$79,019	\$0	\$120



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Schedules to Profit & Loss Account

For the period April 1, 2015 to March 31, 2016

	As on March 31, 2016	As on March 31, 2015
Schedule 6		
Revenue		
Products Sale	\$58,630	\$31,432
Total	58,630	31,432
Other Income		
Mis. Income		
Schedule 7		
Cost of Goods Sold		
Products Consumption	\$38,535	\$16,671
Shipping	\$7,712	
Credit Card Merchant Fee		\$972
Total	\$46,247	\$17,643
Schedule 8		
Administration		
Professional Fees		\$1,757
Taxes -State	\$974	\$4,244
Licence and Permits	\$733	\$110
Computer and Internet Expenses		\$581
Office Supplies		\$190
Insurance Expense		\$1,056
Postage Expenses		\$1,540
Rent	\$7,200	\$16,992
Printing and Reproduction		\$519
Telephone Expense		\$293
Cleaning Service		\$990
Utilities and Energy		\$384
Total	\$8,907	\$28,655
Schedule 9		
Financial Charges		
Bank Service Charges	\$1,578	\$3,437
Interest expenses		\$4,012
Total	\$1,578	\$7,449



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Schedules to Balance Sheet as on March 31, 2016

	As on March 31, 2016	As on March 31, 2015
Schedule 2		
Current Liabilities		
Accounts Payable		
for Services and supplies		
Kerala Ayurveda Limited	\$30,051	\$30,110
Katra Phytochem India Ltd	\$21,357	\$0
Others	\$892	\$7,147
Total	\$52,300	\$37,257
Unsecured Loans		
Ayurvedic Academy Inc	\$53,379	\$39,129
CMS Katra Nursing LLC	\$17,874	\$4,874
Kerala Ayurveda Ltd, India - Loan	\$2,335,000	\$2,250,000
Bank of America Credit Card-6128	\$0	\$7,748
Chase Credit Card -3720	\$0	\$22,193
Total	\$2,406,253	\$2,323,944
Schedule 4		
Investment		
Stake in CMS Katra Nursing LLC (49%)	\$85,000	\$85,000
Total	\$85,000	\$85,000
Schedule 5		
CURRENT ASSETS		
Cash and Bank Balances		
Wells Fargo A/c No 1997	\$204	\$704
Cash on hand	\$19	\$19
TOTAL	\$223	\$723
Accounts Receivable	0	175.4
Loans & Advances		
Ayu Natural Medicine Clinic, PS.	\$1,531	\$1,531
Katra Finance Limited	\$1,348,157	\$1,243,958
CMS Katra Holdings LLC	\$36,527	\$36,527
Project Suveda	\$24,261	\$28,535
Total	\$1,410,476	\$1,310,552

