

ANNUAL REPORT

2019-2020

SUVEDA INC.

691 S, Milpitas Blvd Suite 206,
MILPITAS, CA 95035, USA

Tel: +1-888-275-9103 Fax: +1-510-257-4378

E-mail: accounts@ayurvedaonline.com

SUVEDA INC.

BOARD OF DIRECTORS

CHAIRMAN	: Mr. Ramesh Vangal
DIRECTORS	: Mr. Anand Subramanian
REGISTERED OFFICE	: 691 S, Milpitas Blvd, Suite#206 Milpitas, CA 95035, USA
BANKERS	: WELLS FARGO BANK.

DIRECTORS' REPORT

Your directors have pleasure in presenting the 14th Annual Report on the business and operations of your company together with the Audited Accounts for the year ended 31st March 2020. 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.

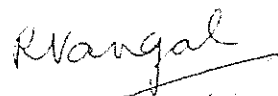
Financial Results

During the year under review, your company has achieved a turnover of \$ 247,591 (Previous Year \$ 170,555) and incurred a Loss of \$ 113,148 (previous year profit of \$ 4,837) for the company, before providing tax. Your company has invested behind development of products which meet US FDA guidelines and have developed a Ecom website for selling in the US.

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
Suveda Inc.



RAMESH VANGAL
Chairman

Date: June 1, 2020



INDEPENDENT AUDITOR'S REPORT

To the Members of
SUVEDA INC.

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of SUVEDA INC ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, (*statement of changes in equity*) and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the Financial Statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Loss, (*changes in equity*) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* 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 Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

"Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Directors report, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the Financial Statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements 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 Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the Financial Statements, 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.
- b. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 Financial Statements 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.

- e. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company since

Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and

2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (C) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) Since the Company's turnover as per last audited Financial Statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Bangalore
Date : 01/06/2020



for NDS & Co
Chartered Accountants


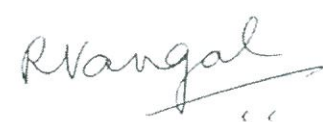

Sanjay Shreesha

Sanjay Shreesha
Partner
FRN NO 009804S

SUVEDA, INC.

691 s, Milpitas Blvd Ste 206, Milpitas, CA 95035

Balance Sheet as on March 31, 2020

EQUITY AND LIABILITIES	Schedules	As on March 31, 2020		As on March 31, 2019	
		Amount in USD		Amount in USD	
Stockholders Equity Common Stock 100 shares of common stock with no Par value Stockholders Equity Retained Earnings Advance from Stockholder Total Stockholders' Equity	2				
		(\$1,038,380)		(\$925,232)	
		\$2,363,000		\$2,363,000	
			\$1,324,620		\$1,437,768
Current Liabilities Accounts Payable Unsecured Loans Total Liabilities			\$65,901 \$526,669	\$47,552 \$257,795 \$592,570	\$305,347
Total Liabilities & Stockholders' Equity			\$1,917,190	\$1,743,115	
ASSETS					
Fixed Asset Gross Block Less:- Depreciation Net Block	3	\$78,234.89 \$35,215.21	\$43,019.68	\$35,132 \$34,147	\$985
Investment	4		\$0		\$0
Current Assets Cash and Bank Balances Accounts Receivable Inventory Loans and Advances Total Current Assets	5	\$37,837 \$538 \$111,909 \$1,723,886	\$1,874,170	\$62,301 \$0 \$46,761 \$1,633,069	\$1,742,131
Total Assets			\$1,917,190		\$1,743,115
Schedules 1 to 10 form an integral part of this statement					
In terms of our report attached.					
For NDS & Co., Chartered Accountants FRN:0098045		On behalf of Board of Directors For SUVEDA INC.			
 Sanjay Shreesha, B com, FCA Partner Membership No. 206099		 Ramesh Vangal Chairman			
					
Place: Bengaluru					
Date: June 1, 2020					

SUVEDA, INC.

691 s, Milpitas Blvd Ste 206, Milpitas, CA 95035

Profit & Loss Account for the period April 1, 2019 to March 31, 2020

Particulars	Schedules	2019-20		2018-19	
		Amount in USD		Amount in USD	
Revenues					
Services & Products Sales	6	\$247,591		\$170,555	
Total Revenues			\$247,591		\$170,555
Cost of Goods Sold	7		\$191,817		\$123,053
Gross Profit			\$55,775		\$47,502
Expenses					
Staff Costs	8	\$97,988		\$0	
Administrative Expenses	9	\$58,109		\$41,875	
Selling & Distribution Expenses	10	\$11,066		\$0	
Financial Charges	11	\$692		\$776	
Amortization & Depreciation	3	\$1,068		\$14	
Sub Total			\$168,923		\$42,665
Net Income			(\$113,148)		\$4,837
Income Tax Provision/Estimate					-
Deficit Carried to Balance Sheet			(\$113,148)		\$4,837
Retained Earning Previous Year b/f			(\$925,232)		(\$930,069)
Retained Losses Transferred to Balance Sheet			(\$1,038,380)		(\$925,232)

Schedules 1 to 10 form an integral part of this statement

In terms of our report attached.

For NDS & Co.,

Chartered Accountants

FRN: 0098045

Sanjay Shreesha



Sanjay Shreesha, B com, FCA

Partner

Membership No. 206099

Place: Bengaluru

Date: June 1, 2020

On behalf of Board of Directors

For SUVEDA INC.

R Vangal

Ramesh Vangal

Chairman

SUVEDA 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.



SUVEDA, INC.
691 S, Milpitas Blvd Ste 206, Milpitas, CA 95035

Schedules to Balance Sheet as on March 31, 2020

	As on March 31, 2020	As on March 31, 2019
Schedule 2		
Current Liabilities		
Accounts Payable		
for Payroll and Staff Dues		
Kerala Ayurveda Limited	\$12,350	\$34,792
Katra Phytochem India Pvt Ltd	\$0	\$1,940
Others	53,551	10,819
Total	\$65,901	\$47,552
Unsecured Loans		
Ayurvedic Academy Inc	\$522,423	\$253,004
CMS Katra Nursing LLC		
Kerala Ayurveda Ltd, India - Loan		
Bank of America Credit Card-6128	\$4,246	\$4,791
Total	\$526,669	\$257,795
Schedule 4		
Investment		
Total	\$0	\$0
Schedule 5		
CURRENT ASSETS		
Cash and Bank Balances		
Wells Fargo A/c No 1997	\$37,152	\$62,301
Paypal collection account	\$685	\$0
Total	\$37,837	\$62,301
Accounts Receivable	\$538	\$0
Inventory	\$111,909	\$46,761
Loans & Advances		
Ayu Natural Medicine Clinic, P.S	\$72,522	\$72,522
Katra Finance Limited	\$1,584,047	\$1,560,547
Katra Phytochem India Pvt Ltd	\$53,806	\$0
Advance to Others	\$13,511	\$0
Total	\$1,723,886	\$1,633,069



SUVEDA INC.

691 S, Milpitas Blvd Ste 206, Milpitas CA 95035

Schedule 3 - Fixed Assets and Depreciation

For the period April 1, 2019 to March 31, 2020

Particulars	Gross Block				Depreciation			Net Block	
	Depreciat ion %	Cost as on March 31,2019	Additions /Deletions	Cost as on March 31,2020	Upto March 31,2019	For the period	Upto March 31,2020	As on March 31,2020	As on March 31,2019
Office Equipment	14.0%	\$9,707	\$1,975	\$11,682	\$9,707	\$207	\$9,914	\$1,768	\$0
Furniture & Fixtures	16.6%	\$18,954	\$5,125	\$24,080	\$17,970	\$861	\$18,831	\$5,249	\$985
Computers	40.0%	\$6,470		\$6,470	\$6,470		\$6,470	\$0	\$0
Intangible									
Product Development Deferred Exp	20.0%	\$0	\$36,003	\$36,003	\$0			\$36,003	\$0
Lease Hold Improvements	20.0%								
total		\$35,132	\$43,103	\$78,235	\$34,147	\$1,068	\$35,215	\$43,020	\$985



SUVEDA, INC.
691 S, Milpitas Blvd Ste 206, Milpitas, CA 95035
Schedules to Profit & Loss Account
For the period April 1, 2019 to March 31, 2020

	FY 2019-20	FY 2018-19
Schedule 6		
Revenue		
Products Sale	\$247,591	\$170,555
Total	\$247,591	\$170,555
Schedule 7		
Cost of Goods Sold		
Products Consumption	\$147,223	\$109,904
Shipping	\$42,505	\$13,149
Storage	\$1,464	\$0
Merchat service fee	\$624	\$0
Total	\$191,817	\$123,053
Schedule 8		
Staff Cost		
Staff cost Allocation	\$97,988	\$0
India Cost allocated	\$1,571	\$0
Total	\$97,988	\$0
Schedule 9		
Administration		
Independent Contractor	\$3,254	\$22,755
Professional Fees	\$2,621	\$1,695
Taxes -State	\$0	\$919
Licence and Permits	\$740	\$0
Computer and Internet Expenses	\$1,009	\$0
Office Supplies	\$12,828	\$0
Postage Expenses	\$41	\$0
Rent	\$0	\$9,000
Office Expenses	\$1,604	\$0
Meals and Entertainment	\$456	\$0
Printing and Reproduction	\$9,795	\$37
Travel Expense	\$25,546	\$7,360
Telephone Expense	\$101	\$0
Bank Service Charges	\$114	\$110
Total	\$58,109	\$41,875
Schedule 10		
Selling & Distribution Expenses		
Marketing	\$11,066	\$0
Total	\$11,066	\$0
Schedule 11		
Financial Charges		
Interest expenses	\$692	\$776
Total	\$692	\$776

