

Meghmani Organics USA INC
dba Meghmani Organics Inc.

Profit and Loss Account
for the twelve months ended on March 31, 2018

		US \$
INCOME		
Sales income net of Returns	\$6,642,911.51	
Less: Cost of Sales per Schedule A	\$5,971,995.77	
Gross Profit		670,915.74
		<u><u>670,915.74</u></u>
EXPENDITURE		
Personnel costs	<i>B</i>	236,568.09
Selling, general and administration costs	<i>C</i>	263,159.35
		<u>171,188.30</u>
Profit before Depreciation		171,188.30
Depreciation		<u>3,160.00</u>
Profit for the period before taxation		168,028.30
Provision for taxation		<u>50,000.00</u>
Profit for the period after taxation		118,028.30
Profit and loss account, brought forward		626,110.26
Profit and loss account, carried forward		<u><u>744,138.56</u></u>

Examined & Found Correct

Date: April 19, 2018
Place: Charlotte, NC USA

Sanjay Nayak
CEO

Jay Patel
Accountant

Meghmani Organics USA INC
dba Meghmani Organics Inc.

**SCHEDULES A TO C AS REFERRED TO IN AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR
THE TWELVE MONTHS ENDED ON MARCH 31, 2018**

US \$

Schedule A (Cost of Sales)

Opening Inventory at Cost	\$818,451.54	
Purchases net of Returns	\$5,823,536.47	
Less: Ending Inventory at Cost	<u>\$1,051,842.64</u>	
	\$5,590,145.37	
Custom Duty and Clearance on Import of Goods	\$381,850.40	
Net Cost of Sales		\$5,971,995.77

Schedule B (Personnel Costs)

Officers Salary	\$186,000.00	
Salary to other Staff	\$22,500.00	
Employee Benefit Expense	\$14,607.39	
Payroll Tax Expense	<u>\$13,460.70</u>	
		\$236,568.09

Schedule C (Selling, General & Administrative Expenses)

Commission on Sales	\$94,947.00	
Trading Claims- discount & allowances	\$10,473.38	
Bank & Other service Charges	\$2,878.08	
Legal and professional charges	\$21,037.20	
Office Expense & Supplies	\$2,642.30	
Meals & Entertainment	\$302.61	
Postage Freight & Courier Charges	\$2,212.94	
Telephone, Cable, Dish, Internet & Network Expense	\$7,085.90	
Traveling Expense	\$27,911.76	
Property Tax Expense	\$255.37	
State Corporate Taxes	\$15,000.00	
Vehicle Gas & Repairs	\$4,609.01	
Insurance Premium	\$(143.20)	
Gift Expense	\$3,535.93	
Warehouse, Storage, & Shipping Expense	<u>\$70,411.07</u>	
		\$263,159.35

Meghmani Organics USA INC
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Balance Sheet
as at March 31, 2018

		US \$
SOURCES OF FUNDS		
Shareholders' funds		
Share capital	A	292,500.00
Reserves and Surplus	B	<u>744,138.56</u>
		1,036,638.56
Loan funds		
Unsecured loans	C	0.00
		<u>1,036,638.56</u>
APPLICATION OF FUNDS		
Fixed assets		
D		
Gross block		48,593.38
Less: Accumulated depreciation		<u>37,973.02</u>
Net block		10,620.36
Current assets, loans and advances		
Cash and bank balances	E	61,273.15
Other Current Assets	F	<u>2,790,649.08</u>
		2,851,922.23
Less: Current liabilities and provisions		
Current Liabilities & Provisions	G	<u>1,825,904.03</u>
		1,825,904.03
Net current assets		<u>1,026,018.20</u>
		<u>1,036,638.56</u>

Examined & Found Correct

Date: April 19, 2018
Place: Charlotte, NC USA

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CEO

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Meghmani Organics USA INC
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SCHEDULES A TO G AS REFERRED TO IN AND FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2018

US \$

Schedule A (Share Capital)

Authorised Capital

1000000 Shares of Common Stock of \$1.00 Par Value Each
Issued, Subscribed & Fully Paid up
12500 Shares Common Stock of \$1.00 Par Value Each Fully
Paid up

\$12,500.00

Additional Paid in Capital

\$280,000.00

\$292,500.00

Schedule B (Reserves & Surplus)

Net Profit B/F
Net Profit for the Current Period
Total Net Profit Unappropriated

\$626,110.26

\$118,028.30

\$744,138.56

\$744,138.56

Schedule C (Unsecured Loans)

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Schedule D (Fixed Assets)

	At Cost	Accumulated Depreciation	Net Block
Office Furniture & Fixtures	\$11,675.02	\$11,675.02	\$-
Computers & Peripherals	\$1,237.00	\$1,237.00	\$-
Office Equipments	\$571.00	\$571.00	\$-
Vehicles	\$35,110.36	\$24,490.00	\$10,620.36
	<u>\$48,593.38</u>	<u>\$37,973.02</u>	<u>\$10,620.36</u>

Schedule E (Cash and Bank Balances)

Including checks on hand

Cash on hand

\$1,309.37

Wells Fargo Bank Checking Account

\$29,201.64

Wells Fargo Money Market Account I

\$30,762.14

\$61,273.15

Schedule F (Other Current Assets)

Inventory at Cost (as per taken, valued & certified by the CEO)
Sundry Debtors for Goods (Net of Payments) considered good:
Subject to confirmation & consequent reconciliation if any

\$1,051,842.64

M/s Flint Group	\$3,925.00
M/s Blantex Quimica	\$68,100.00
M/s Siegwark Mexico	\$15,310.00
M/s Sun Chemicals	\$291,573.50
M/s CRT Quadgraphics WI	\$802,389.85
M/s Decorative Colors	\$771.61
M/s Greenville Colorants SC	\$77,287.98
M/s FSW – WI (Pigment Account)	\$10,086.05
M/s Tritex Canada	\$49,200.00
M/s Spectra Colors	\$383,077.04
M/s Heucotech - PA	\$24,371.86
M/s Color Mate NC	\$9,590.01

\$1,735,682.90

Sundry Debit Balances

\$-

Other Recoverable Expense A/c

\$3,123.54

\$3,123.54

\$2,790,649.08

Schedule G (Current Liabilities & Provisions)

Sundry Creditors for Goods:

Subject to confirmation & consequent reconciliation if any

MOL India Trading A/c

\$1,590,284.02

Meghmani Pigments Trading A/c

\$45,600.00

\$1,635,884.02

Professional Fees Payable

\$1,750.00

Payroll Related Deductions & Taxes Payable

\$8,388.13

State Income Tax Payable

\$35,700.00

Income Tax Provision (Net of Payments)

\$103,073.63

Sundry Credit Balances

\$3,843.35

Sales Commission Payable

\$37,264.90

\$190,020.01

\$1,825,904.03