

ORGANIC INDIA USA, LLC  
CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2019

**ASSETS**

	Notes	AS AT 31 MARCH 2019 (Amount in USD)	AS AT 31 MARCH 2018 (Amount in USD)
<b>NON-CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENT	3a	191,012	277,955
INTANGIBLE ASSETS	3b	1,682,962	30,523
GOODWILL ON CONSOLIDATION	3b	3,256,800	-
INTANGIBLE ASSETS UNDER DEVELOPMENT	3b	1,500	-
FINANCIAL ASSETS			
INVESTMENT	3	-	-
LOANS	4	132,269	52,556
OTHER NON-CURRENT ASSETS	5	3,922	5,962
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,268,465</b>	<b>366,996</b>
<b>INVENTORIES</b>			
FINANCIAL ASSETS	6	5,552,636	6,290,205
TRADE RECEIVABLES	7	1,620,534	1,246,650
CASH AND CASH EQUIVALENTS	8	2,179,711	968,494
LOANS	9	651,300	327,548
OTHERS	10	20,303	-
OTHER CURRENT ASSETS	11	479,016	406,936
<b>TOTAL CURRENT ASSETS</b>		<b>10,503,500</b>	<b>9,239,833</b>
<b>TOTAL ASSETS</b>		<b>15,771,965</b>	<b>9,606,829</b>

**EQUITY AND LIABILITIES**

<b>EQUITY</b>			
EQUITY SHARE CAPITAL	12	23,802	17,958
OTHER EQUITY	13	2,450,300	1,472,144
NON CONTROLLING INTEREST		2,904,113	-
<b>TOTAL EQUITY</b>		<b>5,378,215</b>	<b>1,490,102</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS			
DEFERRED TAX LIABILITY (NET)	14	2,665,382	3,788,641
<b>TOTAL NON-CURRENT LIABILITIES</b>	15	<b>408,568</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	16	2,400,000	-
TRADE PAYABLES	17	4,152,173	3,592,801
OTHER FINANCIAL LIABILITIES	18	20,663	36,765
CURRENT TAX LIABILITIES (NET)	19	9,039	-
OTHER CURRENT LIABILITIES	20	737,925	698,520
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,319,800</b>	<b>4,328,086</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,771,965</b>	<b>9,606,829</b>
CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES	1-2		
CONTINGENT LIABILITIES AND COMMITMENTS			
OTHER NOTES	3-39		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

ON BEHALF OF BOARD OF DIRECTORS



*Julie Albrecht* *Steven Shankara Bookoff*  
JULIE ALBRECHT STEVEN SHANKARA BOOKOFF  
DIRECTOR

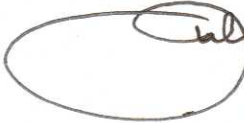

PLACE: Boulder, CO USA PLACE: Phoenix, Md USA  
DATE: July 5 2019 DATE: July 5, 2019

ORGANIC INDIA USA, LLC  
CONSOLIDATED STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	For the year ended 31 March 2019 (Amount in USD)	For the year ended 31 March 2018 (Amount in USD)
REVENUE FROM OPERATIONS	21	22,124,298	17,859,303
OTHER INCOME	22	1,299,316	1,318,958
<b>TOTAL INCOME</b>		<b>23,423,614</b>	<b>19,178,261</b>
<b>EXPENSES</b>			
PURCHASES FOR RESALE		5,629,713	8,408,780
CHANGE IN INVENTORIES	23	1,851,545	(2,115,563)
EMPLOYEE BENEFITS EXPENSE	24	4,419,171	3,065,758
FINANCE COSTS	25	357,224	126,659
DEPRECIATION AND AMORTISATION EXPENSE	3	248,949	81,190
OTHER EXPENSES	26	12,054,920	9,490,332
<b>TOTAL EXPENSES</b>		<b>24,561,521</b>	<b>19,057,156</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>(1,137,907)</b>	<b>121,105</b>
EXCEPTIONAL ITEMS		-	-
IMPAIRMENT LOSS IN VALUE OF INVESTMENT		-	-
<b>PROFIT BEFORE TAX</b>		<b>(1,137,907)</b>	<b>121,105</b>
TAX EXPENSE:			
CURRENT TAX		(203,867)	-
DEFERRED TAX	27	41,232	-
<b>PROFIT FOR THE YEAR</b>		<b>(1,300,542)</b>	<b>121,105</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
A ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		-	-
B ITEMS THAT WILL BE RECLASSIFIED FROM PROFIT OR LOSS			
INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED FROM PROFIT OR LOSS		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(1,300,542)</b>	<b>121,105</b>
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>			
OWNERS OF THE PARENT		(1,454,930)	-
NON-CONTROLLING INTERESTS		154,388	-
<b>OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
OWNERS OF THE PARENT		-	-
NON-CONTROLLING INTERESTS		-	-
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
OWNERS OF THE PARENT		(1,454,930)	-
NON-CONTROLLING INTERESTS		154,388	-
<b>EARNINGS PER EQUITY SHARE</b>			
BASIC	29	(61.18)	6.74
DILUTED		(61.18)	6.74
CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES	1,2		
OTHER NOTES	3-39		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

ON BEHALF OF BOARD OF DIRECTORS

   
JULIE ALBRECHT                      STEVEN SHANKARA BOOKOFF  
PLACE: Boulder, CO USA              DIRECTOR              PLACE: Phoenix, Md USA  
DATE: July 5, 2019                      DATE: July 5, 2019

ORGANIC INDIA USA, LLC  
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

	31ST MARCH 2019 (Amount in USD)	31ST MARCH 2018 (Amount in USD) Ind AS
<b>A. Cash flow from operating activities:</b>		
Net profit before tax but after exceptional/extraordinary items	(1,137,907)	121,105
<b>Adjustments for:</b>		
Depreciation	248,949	81,190
Interest Expense	344,354	126,659
Interest Income	(4,168)	(2,250)
Obsolete Stock written off	85,775	100,000
Provision for non moving inventory created/ written back	842,558	83,330
Notional rent recognised	115	(11,700)
Bad Debts written off	16,226	3,874
Provision for Bad & Doubtful Receivables/created written back	(15,962)	11,126
Guarantee Expenses	12,870	
Loss on sale of Fixed Assets	27,590	
Excess provision written back	(343,199)	(232,019)
<b>Operating profit before working capital changes</b>	<b>77,202</b>	<b>281,315</b>
<b>Adjustments for changes in working capital :</b>		
- (Increase)/Decrease in Trade Receivables	(374,148)	337,739
- (Increase)/Decrease in Other Receivables	(357,488)	(439,550)
- (Increase)/Decrease in Inventories	309,235	(1,726,127)
- Increase/(Decrease) in Trade and Other Payables	730,027	933,033
<b>Cash generated from operations</b>	<b>384,828</b>	<b>(613,588)</b>
- Taxes (Paid) / Received (Net of withholding taxes)	(194,828)	-
<b>Net cash from operating activities</b>	<b>190,000</b>	<b>(613,588)</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of fixed assets	(45,389)	(88,729)
Proceeds from Sale of fixed assets	17,500	-
Purchase of Investment (Net of Dividend)	-	-
Interest Received (Revenue)	569	316
<b>Net cash used in investing activities</b>	<b>(27,320)</b>	<b>(88,413)</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds/(Repayments) from/of long term borrowings	(1,150,000)	1,000,000
Proceeds/(Repayments) from/of short term borrowings	2,400,000	
Proceeds from issue of shares including share premium	2,390,000	
Interest Paid (Revenue)	(285,588)	(123,848)
Dividend Paid	(100,000)	
Non Controlling Interest	(2,750,275)	
<b>Net cash used in financing activities</b>	<b>504,137</b>	<b>876,152</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>666,817</b>	<b>174,152</b>

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ORGANIC INDIA USA, LLC  
 CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019



	31ST MARCH 2019 (Amount in USD)	31ST MARCH 2018 (Amount in USD)
Cash & cash equivalents - opening balance	968,494	794,342
Cash & cash equivalents acquired on account of acquisition of subsidiary	544,400	
Cash & cash equivalents - closing balance	2,179,711	968,494
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>666,817</b>	<b>174,152</b>

**Notes:**

- 1) The above Cash Flow Statement has been prepared under "Indirect method" set out in Accounting Standard-3 on Cash Flow Statements and presents
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.
- 4) Cash and cash equivalents at the end of the year consist of cash on hand and balance with banks as follows:

	31ST MARCH 2019 (Amount in USD)	31ST MARCH 2018 (Amount in USD)
Balance with Scheduled Banks		
- in Current Accounts	1,187,860	739,835
Cheques in hand	450	228,659
Cash in hand	991,401	-
	<b>2,179,711</b>	<b>968,494</b>

FOR AND ON BEHALF OF BOARD OF DIRECTORS


  
 JULIE ALBRECHT                      STEVEN SHANKARA BOOKOFF  
 VP of Finance                      DIRECTOR  
 PLACE: Boulder, CO USA              PLACE: Phoenix, Md USA  
 DATED: July 5, 2019                      DATED: July 5, 2019

ORGANIC INDIA USA, LLC  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH, 2019

A. EQUITY SHARE CAPITAL


PARTICULARS	(Amount in USD)
Balance as at 1 April 2017	17,958
Changes in Equity Share Capital during the year	-
Balance as at 31 March 2018	17,958
Changes in Equity Share Capital during the year	5,844
Balance as at 31 March 2019	23,802

B. OTHER EQUITY

PARTICULARS	RESERVES & SURPLUS			ATTRIBUTABLE TO THE OWNERS OF THE PARENT	NON CONTROLLING INTEREST	TOTAL
	SECURITIES PREMIUM RESERVE	CAPITAL CONTRIBUTION	RETAINED EARNINGS			
Balance as at 1 April 2017	3,492,002	-	(2,205,133)	1,286,869	-	1,286,869
Profit for the year	-	-	121,105	121,105	-	121,105
Addition on account of issue of equity shares	-	-	-	-	-	-
Addition on account of deemed interest on loan taken from Organic India Private Limited	-	64,170	-	64,170	-	64,170
<b>Total Comprehensive Income for the year</b>	-	64,170	121,105	185,275	-	185,275
Balance as at 31 March 2018	3,492,002	64,170	(2,084,028)	1,472,144	-	1,472,144
Share of non-controlling interest on acquisition of subsidiary	-	-	-	-	2,749,725	2,749,725
Profit for the year	-	-	(1,454,930)	(1,454,930)	154,388	(1,300,542)
Addition on account of issue of equity shares	2,384,156	-	-	2,384,156	-	2,384,156
Addition on account of deemed interest on loan taken from Organic India Private Limited	-	48,127	-	48,127	-	48,127
Addition on account of premium value on issuance of Corporate Guarantee by Organic India Private Limited	-	100,803	-	100,803	-	100,803
<b>Total Comprehensive Income for the year</b>	2,384,156	148,930	(1,454,930)	1,078,157	2,904,113	3,982,270
Dividends	-	-	(100,000)	(100,000)	-	(100,000)
Balance as at 31 March 2019	5,876,158	213,100	(3,638,958)	2,450,300	2,904,113	5,354,413

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

ON BEHALF OF BOARD OF DIRECTORS

  
 JULIE ALBRECHT VP of Finance  
 STEVEN SHANKARA BOOKOFF DIRECTOR  
 PLACE: Boulderco PLACE: Phoenix, Md USA  
 DATE: July 5, 2019 DATED: July 5, 2019

ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

3A. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS (IN USD)

a. Reconciliation of carrying amount

	Leasehold improvements	Furniture and fixtures	Office equipment	Display Equipments	Computers	Total Tangible Assets
<b>Gross carrying value</b>						
<b>As at April 01, 2017</b>	71,645	143,436	89,736	88,877	130,866	524,560
Add: Additions made during the year	2,500	2,497	60,338	-	-	65,335
Less: Disposals / adjustments during the year	-	-	-	-	-	-
<b>As at April 01, 2018</b>	74,145	145,933	150,074	88,877	130,866	589,895
Add: Additions made during the year	9,326	4,566	11,095	-	6,402	31,389
Less: Disposals / adjustments during the year	31,780	-	27,661	17,821	-	77,262
<b>As at March 31, 2019</b>	<b>51,691</b>	<b>150,499</b>	<b>133,508</b>	<b>71,056</b>	<b>137,268</b>	<b>544,022</b>
<b>Accumulated depreciation and impairment losses</b>						
<b>As at April 01, 2017</b>	19,972	51,414	49,839	40,528	81,145	242,898
Add: Depreciation charge for the year	9,021	21,385	14,283	9,220	15,132	69,041
Less: On disposals / adjustments during the year	-	-	-	-	-	-
<b>As at April 01, 2018</b>	28,993	72,799	64,122	49,748	96,277	311,940
Add: Depreciation charge for the year	9,455	22,189	19,588	9,111	12,899	73,242
Less: On disposals / adjustments during the year	14,924	-	3,240	14,008	-	32,172
<b>As at March 31, 2019</b>	<b>23,524</b>	<b>94,988</b>	<b>80,470</b>	<b>44,851</b>	<b>109,176</b>	<b>353,010</b>
<b>Net carrying value</b>						
<b>As at March 31, 2019</b>	<b>28,167</b>	<b>55,511</b>	<b>53,038</b>	<b>26,205</b>	<b>28,092</b>	<b>191,012</b>
<b>As at March 31, 2018</b>	<b>45,152</b>	<b>73,134</b>	<b>85,952</b>	<b>39,129</b>	<b>34,589</b>	<b>277,955</b>

ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

3B. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT (IN USD)

a. Reconciliation of carrying amount

	Computer Software	Goodwill on consolidation	Intangible Assets Website Development	Trademarks	Total	Intangible Assets Under Development Software	Intangible Assets Under Development Total
<b>Gross carrying value</b>							
<b>As at April 01, 2017</b>	103,606	-	29,721	55,561	188,888	-	-
Add: Additions made during the year	8,983	-	14,400	-	23,393	-	-
Less: Disposals / adjustments during the year	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	112,599	-	44,121	55,561	212,281	-	-
Add: Additions made during the year	-	3,256,800	12,500	-	3,269,300	1,500	1,500
Add: Acquisition on business combination	-	-	85,646	1,730,000	1,815,646	-	-
Less: Disposals / adjustments during the year	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	112,599	3,256,800	142,267	1,785,561	5,297,227	1,500	1,500
<b>Accumulated depreciation and impairment losses</b>							
<b>As at April 01, 2017</b>	90,750	-	27,840	51,019	169,609	-	-
Add: Amortisation / Impairment for the year	9,973	-	966	1,210	12,149	-	-
Less: On disposals / adjustments during the year	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	100,723	-	28,806	52,229	181,758	-	-
Add: Amortisation / Impairment for the year	4,400	-	11,513	159,794	175,707	-	-
Less: On disposals / adjustments during the year	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	105,123	-	40,319	212,023	357,465	-	-
<b>Net carrying value</b>							
<b>As at March 31, 2019</b>	7,476	3,256,800	101,948	1,573,538	4,939,762	1,500	1,500
<b>As at March 31, 2018</b>	11,875	-	15,315	3,332	30,523	-	-

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ORGANIC INDIA USA, LLC  
NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
<b>4 NON-CURRENT FINANCIAL ASSETS - LOANS</b>		
<b>Unsecured, considered good</b>		
Security Deposits	132,269	52,556
	<u>132,269</u>	<u>52,556</u>
<b>Break up</b>		
Loans considered good - secured	-	-
Loans considered good - unsecured	132,269	52,556
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
<b>Total</b>	<u>132,269</u>	<u>52,556</u>
Less: Allowances for doubtful Loans	-	-
<b>Total Loans</b>	<u>132,269</u>	<u>52,556</u>
<b>5 OTHER NON CURRENT ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Prepaid Expenses		
- Prepaid Lease Rentals	3,922	5,962
	<u>3,922</u>	<u>5,962</u>
<b>6 INVENTORIES</b>		
Work in Progress	179,403	180,741
Finished Goods		
- Traded	3,857,106	5,207,313
Goods in Transit- Finished Goods	2,442,015	985,481
	<u>6,478,524</u>	<u>6,373,535</u>
Less: Provision for Non Moving Inventory	(925,888)	(83,330)
<b>Total inventories</b>	<u>5,552,636</u>	<u>6,290,205</u>
- As per inventory taken, valued and certified by the Management		
<b>7 TRADE RECEIVABLES</b>		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	1,661,028	1,303,106
Trade Receivables which have significant increase in Credit risk	-	-
Trade Receivables - credit impaired	-	-
	<u>1,661,028</u>	<u>1,303,106</u>
Less: Provision for Doubtful Debts	(40,494)	(56,456)
	<u>1,620,534</u>	<u>1,246,650</u>
<p>The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment. Certain trade receivables were found to be impaired and a provision for doubtful debts of Rs. USD 40,494/- (2018: USD 56,456/- ) has been recorded.</p>		
<b>8 CASH AND CASH EQUIVALENTS</b>		
Balances with banks		
-In Current Accounts	1,187,860	739,835
Cheques in hand	450	228,659
Cash on hand	991,401	-
	<u>2,179,711</u>	<u>968,494</u>





ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
<b>9 CURRENT FINANCIAL ASSETS - LOANS</b>		
<b>Unsecured and considered good unless otherwise stated</b>		
Considered Good		
Advance to Related Parties	651,300	327,548
	<b>651,300</b>	<b>327,548</b>
<b>*Due from Entities Controlled by Directors</b>		
- M/s Organic India Private Limited (Holding Company)	651,300	-
- M/s Clean Program Corp (Subsidiary Company)	-	-
<b>Break up</b>		
Loans considered good - secured	-	-
Loans considered good - unsecured	-	-
Loans which have significant increase in credit risk	651,300	327,548
Loans - credit impaired	-	-
<b>Total</b>	<b>651,300</b>	<b>327,548</b>
Less: Allowances for doubtful Loans	-	-
<b>Total Loans</b>	<b>651,300</b>	<b>327,548</b>
<b>10 CURRENT FINANCIAL ASSETS - OTHERS</b>		
<b>Unsecured and considered good unless otherwise stated</b>		
Advance to Related Parties*		
Advances recoverable in cash or kind	20,303	-
	<b>20,303</b>	<b>-</b>
<b>*Due from Entities Controlled by Directors</b>		
- M/s Organic India USA, LLC (Holding Company)	-	-
<b>11 OTHER CURRENT ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Prepaid Expenses		
- Prepaid Lease Rentals	3,670	2,044
- Other Prepaid expenses	142,557	225,672
Advance to supplier	-	6,524
Deferred Guarantee Premium	87,933	-
Recoverable from Government Authorities	12,661	9,771
Advances recoverable in cash or kind	232,195	162,926
	<b>479,016</b>	<b>406,936</b>




ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

13 OTHER EQUITY

**Summary of Other Equity Balance**

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
Securities Premium Reserve	5,876,158	3,492,002
Capital Contribution	213,100	64,170
Retained Earnings	(3,638,958)	(2,084,028)
Non Controlling Interest	2,904,113	-
	<u>5,354,413</u>	<u>1,472,144</u>

**Securities Premium Reserve**

Balance at the beginning	3,492,002	3,492,002
Add: Premium on Equity Shares fully paid up	<u>2,384,156</u>	
Balance at the end	<u>5,876,158</u>	<u>3,492,002</u>

**Retained Earnings**

Balance at the beginning		(2,205,133)
Profit for the year	(2,084,029)	(2,205,133)
Appropriations:	(1,454,930)	121,105
Interim Dividend		
Corporate Dividend Tax on Interim Dividend	(100,000)	-
Impact of Ind AS adjustments	-	-
Balance at the end	<u>(3,638,958)</u>	<u>(2,084,028)</u>

	<u>2,237,200</u>	<u>1,407,974</u>
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**Nature and purpose of each reserves**

**a) Securities premium reserve**

The amount received in excess of face value of equity shares is recognised in Securities Premium Reserve.

**b) Capital Contribution**

It includes deemed interest amounting to USD 112,297 (FY 2017-18:USD 64,170) on loan taken from Organic India Private Limited, the Holding Company as per Ind AS 109.

**c) Retained Earning**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

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ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
<b>14 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Unsecured</b>		
Inter corporate Loans		
OI (US) Holdings LLC*	1,950,000	2,850,000
Organic India Private Limited**	715,382	938,641
	<u>2,665,382</u>	<u>3,788,641</u>
* Includes amount due to - OI (US) Holdings, LLC, penultimate holding company. *The said loan is repayable at the end of five years from the date on which loan was taken i.e. 27th March 2015 and carries interest @ 4% p.a. Payable quarterly during the term of loan of five years.		
** The said loan is repayable at the end of three years from the date on which the said loan was taken and carries interest @ 5.51% p.a. payable half yearly during the term of loan of three years.		
<b>15 DEFERRED TAX LIABILITY (NET)</b>		
Amortization	408,568	-
Carried forward business losses	-	-
Total	<u>408,568</u>	<u>-</u>
<b>Deferred tax liability (net)</b>	<u>408,568</u>	<u>-</u>
<b>16 CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Secured</b>		
Line of Credit		
- Citi Bank NA*	2,400,000	-
	<u>2,400,000</u>	<u>-</u>
* The Company has been sanctioned secured Line of Credit from CitiBank N.A. for financing short term working capital requirements amounting to USD 30,00,000. The said credit carries an interest rate of 2% above the base rate as defined in the agreement (effective rate of 4.4% as on March 31, 2019) payable quarterly and is secured against the inventory of the Company.		
<b>17 TRADE PAYABLES</b>		
For Goods and Services		
- Due of micro enterprises and small enterprises		
- Due of creditors other than micro enterprises and small enterprises	4,152,173	3,592,801
	<u>4,152,173</u>	<u>3,592,801</u>
<b>Out of above trade payables from related parties are as below</b>		
- M/s Organic India Private Limited (Holding Company)	2,984,949	
- M/s Clean Program Corp (Subsidiary Company)	-	
<b>18 CURRENT FINANCIAL LIABILITIES - OTHERS</b>		
Interest accrued but not due on borrowings*	20,663	36,765
	<u>20,663</u>	<u>36,765</u>
* Includes Due to		
OI (US) Holdings LLC, A company in which director is interested	9,848	28,500
Organic India Private Limited, Holding Company	10,815	8,265

SB 

ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
<b>19 CURRENT TAX LIABILITIES (NET)</b>		
Opening balance of provision of income tax (Net)	-	-
Add: Current tax payable for the year	203,867	-
Less: Taxes paid	(194,828)	-
Closing balance of provision of income tax (Net)	<u>9,039</u>	<u>-</u>
Provision of income tax (net advance tax)	9,039	-
<b>Total current tax assets (liability)</b>	<u><u>9,039</u></u>	<u><u>-</u></u>
 <b>20 OTHER CURRENT LIABILITIES</b>		
Advance from Customers	35,870	-
Statutory Dues	31,720	18,258
Dividend Payable	20	-
Other Expenses Payable	670,315	680,262
	<u><u>737,925</u></u>	<u><u>698,520</u></u>




ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

12 EQUITY SHARE CAPITAL

	AS AT 31ST MARCH 2019		AS AT 31ST MARCH 2018	
	No of Shares	(Amount in USD)	No of Shares	(Amount in USD)
<b>AUTHORISED SHARE CAPITAL</b>				
Equity Shares of USD 1/- each	23,802	23,802	17,958	17,958
	<b>23,802</b>	<b>23,802</b>	<b>17,958</b>	<b>17,958</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>				
Equity Shares of USD 1/- each fully paid up	23,802	23,802	17,958	17,958
	<b>23,802</b>	<b>23,802</b>	<b>17,958</b>	<b>17,958</b>

a). Terms/rights attached to Equity Shares

The Company has one class of Shares and each shareholder has single right to vote for one share.

b). Shares held by holding company

Out of the equity shares issued by the Company, shares held by holding are as below:

Equity Shares	AS AT 31ST MARCH 2019		AS AT 31ST MARCH 2018	
	No of Shares	Amount in USD	No of Shares	Amount in USD
Organic India Private Limited (Holding Company) Fully paid and non-assessable shares (Equity shares of USD 1/- each)	23,802	23,802	17,958	17,958

c). The details of shareholders holding more than 5% shares as at 31 March 2019 and 31 March 2018 is set out below:

Name of shareholder	AS AT 31ST MARCH 2019		AS AT 31ST MARCH 2018	
	No of Shares	% of shareholding	No of Shares	% of shareholding
<b>Equity Shares of USD 1/- each fully paid up</b> Organic India Private Limited (Holding Company)	23,802	100.00%	17,958	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d). The reconciliation of the number of shares outstanding as at 31 March 2019 and 31 March 2018 is set out below:

Particulars	AS AT 31ST MARCH 2019		AS AT 31ST MARCH 2018	
<b>Fully Paid &amp; Non-Assessable Shares</b>				
Number of shares in the beginning		17,958		17,958
Add: Shares issued through private placement		5,844		-
Number of shares at the end		23,802		17,958

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ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

	For the year ended 31 March 2019 (Amount in USD)	For the year ended 31 March 2018 (Amount in USD)
<b>21 Revenue from operations</b>		
<b>Sale of Products (including excise duty)</b>		
- Traded	22,124,298	17,859,303
	<b>22,124,298</b>	<b>17,859,303</b>
<b>Details of Products Sold</b>		
- Herbal Infusions	6,242,146	5,024,520
- Ayurvedic Medicines(Formulations)	9,231,602	10,368,310
- Psyllium	1,977,707	2,070,146
- Dehydrated Fruits & Vegetables	-	-
- Others	4,672,842	396,326
	<b>22,124,298</b>	<b>17,859,303</b>
<b>Reconciliation of Revenue with Contracted Price</b>		
Revenue as per contracted price	24,363,454	19,740,364
Adjustments	-	-
Discounts and Rebates	2,239,156	1,881,061
Rebate for Expiry	-	-
	2,239,156	1,881,061
Revenue from contract with customers	<b>22,124,298</b>	<b>17,859,303</b>
<b>22 Other income</b>		
Interest Income		
Bank Deposits	569	316
Leased Deposits measured at amortised cost	3,599	1,934
Others	-	-
Corporate Charges Recovered	638,068	1,084,689
Income from Royalty	13,789	-
Provision for Doubtful Debts Written Back	15,962	-
Provision for Non Moving Inventory Written Back	-	-
Excess Provision Written back	343,199	232,019
Miscellaneous Receipts	284,131	-
	<b>1,299,316</b>	<b>1,318,958</b>
<b>23 Change in inventories of Traded Goods</b>		
Opening inventory		
Finished Goods	5,207,313	3,272,491
Work in Progress	180,741	-
	5,388,054	3,272,491
Stock acquired on acquisition of subsidiary	500,000	-
Closing inventory		
Finished Goods	3,857,106	5,207,313
Work in Progress	179,403	180,741
	4,036,509	5,388,054
<b>Total (increase) in inventories</b>	<b>1,851,545</b>	<b>(2,115,563)</b>




ORGANIC INDIA USA, LLC  
NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

	For the year ended 31 March 2019 (Amount in USD)	For the year ended 31 March 2018 (Amount in USD)
<b>24 Employee benefits expense</b>		
Salaries and wages	4,112,869	2,807,884
Contribution to Provident Fund & Other Funds	216,836	164,352
Staff Welfare Expenses	89,466	93,522
	<u>4,419,171</u>	<u>3,065,758</u>
<b>25 Finance costs</b>		
<b>Interest Expense</b>		
Term Loan	324,441	126,659
Guarantee Expenses	12,870	-
Loan processing charges	19,913	-
	<u>357,224</u>	<u>126,659</u>
<b>26 Other expenses</b>		
<b>Administrative Expenses</b>		
Rent	1,527,551	1,255,670
Repair and maintenance		
- Building	39,576	28,744
- Others	74,754	82,808
Freight outward	1,051,139	797,004
Travelling Expenses (includes Conveyance and Vehicle Running)	424,243	338,010
Legal and Professional Expenses	813,874	637,203
Communication Expenses	37,263	43,390
Computer repair and maintenance	97,798	-
Bad Debt written off	16,226	3,874
Insurance (Net of recovery)	20,647	-
Product Liability	112,095	64,618
Provision for Doubtful debts	-	11,126
Provision for Non Moving Inventory	842,558	83,330
Obsolete Stock written off	85,775	100,000
Certification Expenses	39,693	18,935
Rates & Taxes	41,512	16,457
Donations	70,900	98,417
Miscellaneous Expenses	214,799	77,798
Royalty	-	18,476
Bank Charges	91,055	24,364
Loss on sale of Fixed Assets	27,590	-
<b>Selling Expenses</b>		
Samples	401,390	271,237
Business Promotion	4,954,977	4,446,254
Commission and Brokerage	1,069,505	1,072,617
	<u>12,054,921</u>	<u>9,490,332</u>
<b>27 Income Taxes &amp; Deferred Taxes</b>		
<b>(a) Tax expense recognised in Statement of Profit and Loss</b>		
<b>Current Tax</b>		
In respect of the current year	(203,867)	-
<b>Total (A)</b>	<u>(203,867)</u>	<u>-</u>
<b>Deferred Tax</b>		
Origination and reversal of temporary differences	41,232	-
<b>Total (B)</b>	<u>41,232</u>	<u>-</u>
<b>Total (A+B)</b>	<u>(162,635)</u>	<u>-</u>




ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

	For the year ended 31 March 2019 (Amount in USD)	For the year ended 31 March 2018 (Amount in USD)
<b>(b) Movement in Deferred tax Assets (net)</b>		
<b>Deferred income tax liability / (asset), net</b>		
Depreciation and Amortization	491,032	-
<b>Net Deferred Tax Expense/Income recognised in Statement of Profit and Loss (Net of Valuation Allowance)</b>	<u>491,032</u>	<u>-</u>
<b>(c) Reconciliation of effective tax rate</b>		
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
<b>Profit before exceptional items and tax</b>	<b>(1,137,907)</b>	-
Tax using the Company's domestic tax rate (31 March 2019:26% )      26%	(295,856)	-
<b>Tax effect of:</b>		
<b>Non-deductible tax expenses</b>		
Effect of tax related to expenses not deductible for income tax	(555,509)	-
Effect of tax related to losses of previous year on which deferred tax asset was not created	1,014,000	-
	<u>162,635</u>	<u>-</u>

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ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

28 Contingent liabilities and commitments

As at 31 March 2019 As at 31 March 2018

A Contingent Liabilities:

- -

B Capital and Other Commitments:

(a) Lease Commitments:

The Company has entered into operating leases for facilities and equipments. The lease commitments towards non cancellable leases is as below:

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
a. Not later than one year	482,345	300,000
b. Later than one year but not later than five years	617,124	927,000
c. Later than five years	-	-

Effective December 1, 2018, the Company began subleasing certain office space through March 30, 2020 for \$8,850 per month. The sublease income of the Company is as below:

	As at 31 March 2019 (Amount in USD)	As at 31 March 2018 (Amount in USD)
a. Not later than one year	106,000	-
b. Later than one year but not later than five years	-	-
c. Later than five years	-	-

29 Earnings per equity share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2019 (Amount in USD)	For the year ended 31 March 2018 (Amount in USD)
Profit attributable to equity holders of the company	(1,300,542)	121,105
Weighted average number of equity shares (Nos.)	21,256	17,958
Nominal value of equity shares	10	10
Earnings per equity share		
-Basic	(61.18)	6.74
-Diluted	(61.18)	6.74

ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

30 Segment Reporting

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Board of Directors of the Company reviews the operating results of the Company. The Board of Directors reviews performance of the Organic Herbal products business on an overall business. As the Company's activities fall within a single reportable segment being the core business segment i.e. Organic Herbal Products, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, entity wise disclosures are as under:

	31st March,2019	31st March,2018
Sale of Products		
- Within USA	22,124,298	17,859,303
- Outside USA	-	-
	<b>22,124,298</b>	<b>17,859,303</b>

	31st March,2019	31st March,2018
Details of Non Current Asset		
- Within USA	5,268,465	366,996
- Outside USA	-	-
	<b>5,268,465</b>	<b>366,996</b>

Information about major customers

The Company did revenue from the following customers which exceeded 10% of total revenue:-

Name of Customer	Share of Total Revenue(in Percentage)	
	31st March,2019	31st March,2018
United Natural Foods Inc	31.36	30.70
Amazon	21.73	20.90
Threshold Enterprises	11.16	13.20
Kehe Distributors LLC	10.81	10.30

ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

31 FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

Financial instruments by category as 31st March 2019

(Amount in USD)

	31st March 2019				
	FVTPL	FVOCI	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial assets</b>					
Loans(Non Current)	-	-	132,269	132,269	132,269
Trade receivables	-	-	1,620,534	1,620,534	1,620,534
Cash and Cash equivalents	-	-	2,179,711	2,179,711	2,179,711
Loans(Current)	-	-	651,300	651,300	651,300
Others	-	-	20,303	20,303	20,303
<b>TOTAL</b>	-	-	<b>4,604,117</b>	<b>4,604,117</b>	<b>4,604,117</b>
<b>Financial liabilities</b>					
Borrowings(Non Current)	-	-	2,665,382	2,665,382	2,665,382
Borrowings(Current)	-	-	2,400,000	2,400,000	2,400,000
Trade payables	-	-	4,152,173	4,152,173	4,152,173
Other Financial Liabilities	-	-	20,663	20,663	20,663
<b>TOTAL</b>	-	-	<b>9,238,218</b>	<b>9,238,218</b>	<b>9,238,218</b>

Financial instruments by category as 31st March 2018

(Amount in USD)

	31st March 2018				
	FVTPL	FVOCI	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial assets</b>					
Loans(Non Current)	-	-	52,556	52,556	52,556
Trade receivables	-	-	1,246,650	1,246,650	1,246,650
Cash and Cash equivalents	-	-	968,494	968,494	968,494
Loans(Current)	-	-	327,548	327,548	327,548
<b>TOTAL</b>	-	-	<b>2,595,248</b>	<b>2,595,248</b>	<b>2,595,248</b>
<b>Financial liabilities</b>					
Borrowings(Non Current)	-	-	3,788,641	3,788,641	3,788,641
Trade payables	-	-	3,592,801	3,592,801	3,592,801
Other Financial Liabilities	-	-	36,765	36,765	36,765
<b>TOTAL</b>	-	-	<b>7,418,207</b>	<b>7,418,207</b>	<b>7,418,207</b>

Trade receivables comprise amounts receivable from the sale of goods and services. The Management considers that the carrying amount of trade and other receivables approximates their fair value.

Loans (non-current) comprise of security deposits paid which have been discounted and the same approximates their fair value.

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The Management considers that the carrying amount of trade payables approximates to their fair value.

Financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

(i) Fair value hierarchy

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at 31 March 2019

	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Loans	-	-	783,569	783,569
Trade receivables	-	-	1,620,534	1,620,534
Cash and Cash equivalents	-	-	2,179,711	2,179,711
Others	-	-	20,303	20,303
	-	-	<b>4,604,117</b>	<b>4,604,117</b>
<b>Financial liabilities:</b>				
Borrowings	-	-	5,065,382	5,065,382
Trade payables	-	-	4,152,173	4,152,173
Other Financial Liabilities	-	-	20,663	20,663
	-	-	<b>9,238,218</b>	<b>9,238,218</b>

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ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

Financial assets and liabilities measured at fair value As at 31 March 2018

	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Investments	-	-	-	-
	-	-	-	-

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at 31 March 2018

	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Loans	-	-	380,103	380,103
Trade receivables	-	-	1,246,650	1,246,650
Cash and Cash equivalents	-	-	968,494	968,494
	-	-	<b>2,595,248</b>	<b>2,595,248</b>

	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
<b>Financial liabilities:</b>				
Borrowings	-	-	3,788,641	3,788,641
Trade payables	-	-	3,592,801	3,592,801
Other Financial Liabilities	-	-	36,765	36,765
	-	-	<b>7,418,207</b>	<b>7,418,207</b>

(ii) Measurement of fair values

The different levels of fair value have been defined below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. These are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted securities.

There have been no transfers in either direction for the years ended 31 March 2019 and 31 March 2018.

(iii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis/net asset value method.

**ORGANIC INDIA USA, LLC**  
**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2019**

**32 Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk

**Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. The risk management policies are established to identify and analyse the risk faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company activities. The Company's board oversees how management monitors compliance with Company's risk management policies and procedures, and review adequacy of the risk management framework in relation to the risk faced by the Company.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash Equivalents, trade receivables, financial assets measured at amortized cost.	Aging analysis	Diversification of bank deposits, credit limits
Liquidity Risk	All financial liabilities	Rolling cash flow forecasts	Availability of borrowing facilities

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit risk associated with the trade and other receivables.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

In determining the recoverability of trade receivables, Company considers any change in the credit quality of trade receivables from the date, credit was initially granted upto the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly the management believes that there is no further credit provision required in excess of the allowance for doubtful debts. Management has assessed the advances and other receivables for impairment and has concluded that appropriate provision has been made for the doubtful advances and balance are fully recoverable in the normal course of business.

**Exposure to credit risk**

The carrying amount of financial assets

	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Trade and other receivable	1,793,297	1,355,661
Less: Loss allowance on receivable	(40,494)	(56,456)
	<u>1,752,803</u>	<u>1,299,206</u>

Movement in the allowance for impairment in respect of trade receivables

	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Opening Balance	56,456	45,330
Add: Allowance for trade receivables during the year	-	11,126
Less: Allowance written back during the year	15,962	-
Closing Balance	<u>40,494</u>	<u>56,456</u>



**ii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, availability of funding through an adequate amount of credit facilities to meet obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position i.e. cash and cash equivalents on the basis of expected cash flows.

**Maturities of financial liabilities**

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>Contractual maturities of financial liabilities 31 March 2019</b>	<b>Less than 1 year</b>	<b>Between 1 and 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Trade payables	4,152,173	-	-	4,152,173
Long term borrowings	-	2,665,382	-	2,665,382
Short term borrowings	2,400,000	-	-	2,400,000
Interest accrued but not due	20,663	-	-	20,663
Other Accruals	-	-	-	-
	<b>6,572,836</b>	<b>2,665,382</b>	-	<b>9,238,218</b>

<b>Contractual maturities of financial liabilities 31 March 2018</b>	<b>Less than 1 year</b>	<b>Between 1 and 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Trade payables	3,592,801	-	-	3,592,801
Long term borrowings	-	3,788,641	-	3,788,641
Short term borrowings	-	-	-	-
Interest accrued but not due	36,765	-	-	36,765
Other Accruals	-	-	-	-
	<b>3,629,566</b>	<b>3,788,641</b>	-	<b>7,418,207</b>

### 33 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

Management of the Company has ensured that net worth of the Company has increased and profit from operations of the company has been utilised further in the operations of the Company.

	<b>March 31 2019</b>	<b>March 31 2018</b>
Total Assets	15,771,965	9,606,829
Total Liabilities	10,393,750	8,116,727
Net Worth	<b>5,378,215</b>	<b>1,490,102</b>

The Company determines the amount of capital required on the basis of actual business plans coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term borrowings. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019.

The Company monitors capital on the basis of total debt to total equity on a periodic basis. The following table summarizes the capital of the Company:

<b>Capital</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
Long Term Borrowings	2,665,382	3,788,641
Short Term Borrowings	2,400,000	-
<b>Total Debt</b>	<b>5,065,382</b>	<b>3,788,641</b>
Equity Share Capital	23,802	17,958
Other Equity	2,450,300	1,472,144
Non controlling interest	2,904,113	-
<b>Total Equity</b>	<b>5,378,215</b>	<b>1,490,102</b>
<b>Debt-Equity Ratio</b>	<b>0.94</b>	<b>2.54</b>

*SB* 

ORGANIC INDIA USA, LLC  
 NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

34 RELATED PARTY DISCLOSURES

A Names of Related parties where control exists

- Holding Company**  
 - M/s Organic India Private Limited  
**Subsidiary Company**  
 - M/s The Clean Program Corp  
**Key Management Personnel**  
 - Mr. Steven Bookoff  
**Entities under common ownership**  
 - M/s OI (US) Holdings, LLC

B Summary of related party transaction:

Particulars	Holding Company		Entities under common ownership	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Loan Taken	2,750,000	1,000,000		
Capital Contribution	48,127	64,170		
Loan - Repayment	3,000,000	-	900,000	-
Sale of Traded Goods	13,232	17,927		
Purchase of Traded Goods	5,752,513	8,237,510		
Corporate Charges Recovered	638,068	1,084,689		
Interest on Loan	81,196	-	243,245	126,659
Payables	3,711,146	3,497,588	1,959,848	2,850,000
Receivables	651,300	364,313		

C Transactions with the related parties which have been entered into during the year are as follows:

Particulars	Holding Company		Entities under common ownership	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Loan Taken				
- M/s Organic India Private Limited	2,750,000	1,000,000	-	-
Capital Contribution*				
- M/s Organic India Private Limited	48,127	64,170	-	-
Loan - Repayment				
- M/s OI (US) Holdings, LLC	-	-	900,000	-
- M/s Organic India Private Limited	3,000,000	-	-	-
Sale of Traded Goods				
- M/s Organic India Private Limited	13,232	17,927	-	-
Purchase of Traded Goods				
- M/s Organic India Private Limited	5,752,513	8,237,510	-	-
Corporate Charges Recovered				
- M/s Organic India Private Limited	638,068	1,084,689		
Interest on Loan				
- M/s Organic India Private Limited	81,196	-	-	-
- M/s OI (US) Holdings, LLC	-	-	243,245	126,659
Payables				
- M/s Organic India Private Limited	3,711,146	3,497,588	-	-
- M/s OI (US) Holdings, LLC	-	-	1,959,848	2,850,000
Receivables				
- M/s Organic India Private Limited	651,300	364,313	-	-

\*On account of deemed interest on loan taken from Organic India Private Limited

SB JA

**ORGANIC INDIA USA, LLC**  
**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2019**

**35 Business Combination**

On April 25, 2018, the Holding Company acquired 50.01% of the outstanding common shares of CLEAN for a total purchase price of \$2,750,275 that was paid in cash. The Company desired to partner with CLEAN in order to further provide consumers access to healthy lifestyle products. The companies' collective product lines compliment consumers looking for natural alternatives to conventional solutions.

The following table summarizes the approximate acquisition date fair values of the assets acquired and liabilities assumed:

Particulars	
Consideration Transferred	2,750,275
Non Controlling interest in the Acquired Entity	2,749,725
Less Fair Value of identifiable net assets and liabilities*	<u>2,243,200</u>
	<u>3,256,800</u>

Particulars	Amount (USD)
Cash	544,400
Inventory	500,000
Prepaid expenses and other assets	134,100
Trade name	1,730,000
Accounts payable	(107,100)
Other current liabilities	(108,400)
Deferred taxes	(449,800)
<b>Total identifiable net assets and liabilities</b>	<u><b>2,243,200</b></u>

The fair value of the intangible assets and noncontrolling interest in CLEAN was determined on the basis of an independent valuation, which used the relief from royalty and the weighted average return on assets approaches. This fair value measurement is based on significant inputs that are not observable in the market. Key assumptions include; forecasted revenue, cost of sales, operating expenses, capital expenditures, and net working capital.

**36 Impairment**

The Company has not recognized any loss on impairment in respect of assets of the Company in terms of Indian Accounting Standard (Ind AS) 16 on "Property, Plant and equipment"/ Indian Accounting Standard (Ind AS) 36 on "Impairment of Assets" since in the opinion of the Management, as confirmed by the Board of Directors, the reduction in value of any asset, to the extent required, has already been provided for in the books. In respect of the assets at the subsidiaries the impairment testing is based on the realizable value of underlying assets as reviewed and tested at the level of the Board of Directors at the subsidiary and as confirmed by the Board of Directors of the Company.

**37 Due to Micro, Small And Medium enterprises as defined under the MSMED Act, 2006**

**The principal amount and the interest due thereon remaining unpaid to any supplier**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Amount of interest paid by the buyer in terms of section 16 of the MSMED, along with the amounts of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day ) but without adding the interest specified under the MSMED Act, 2006.	-	-
Amount of interest accrued and remaining unpaid	-	-

**38 Employee Benefits**

During the period, the Company has recognized the following amounts in the profit and loss account:

i) Employers' contribution to Defined Contribution/Benefit Plans (in USD)	216,836	164,352
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ORGANIC INDIA USA, LLC  
NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

39 Other notes

- (a) Debit and credit balances of trade payables, trade receivables, loans and advances to the extent not confirmed are subject to confirmation and reconciliation with the parties.
- (b) As per the requirement of Schedule III of the Act, the Board of Directors have considered the values of all assets of the Company other than fixed assets and non-current investments, and have come to a conclusion that these have a value on realization in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.
- (c) These accounts are prepared for the purpose of consolidation with the accounts of Organic India Private Limited (the Holding Company)
- (d) The comparable figures for previous reporting year are re-stated/regrouped wherever required.

"SIGNATURES TO NOTES 1 TO 39"

ON BEHALF OF BOARD OF DIRECTORS

JULIE ALBRECHT  
VP of Finance

STEVEN SHANKARA BOOKOFF  
DIRECTOR

PLACE: Boulder CO  
DATE: July 5 2019

PLACE: Phoenix, Md USA  
DATE: July 5, 2019