AUDIT REPORT

GREENLAM AMERICA, INC.

2021 - 2022

Varkey Associates CPA,PA.
Certified Public Accountants

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GREENLAM AMERICA, INC.

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The accompanying report and notes are integral parts of these statements

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The Board of Directors,

Greenlam America, Inc.

8750 NW 36th Street, Suite:635,
Doral, Florida 33178

We have audited the balance sheet of **Greenlam America, Inc.** (Type C corporation) as of March 31, 2022, and the related statements of income, retained earnings, and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the united States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, and assessing the overall financial presentation. We believe that our audits provide a reasonable basis for expressing our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greenlam America Inc., as of March 31st 2022 and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Varkey Associates CPA, PA.
Certified Public Accountants
May 16, 2022.
Miami, Florida.

GREENLAM AMERICA INC.
Balance Sheet
(As at 31st March, 2022)

(US $)

	Notes		*March 2022*		*March 2021*
ASSETS:					
Current Assets					
Cash and Bank	*A*	114,800		153,233	
Accounts Receivables	*B*	2,587,232		2,335,673	
Prepaid Expenses	*C*	19,424		9,113	
Advance Tax	*D*	115,946		28,111	
Vendor Deposit	*E*	19,042		6,069	
Goods in Transit	*F*	964,823		600,014	
Inventories	*G*	590,571		627,503	
Total Current Assets			**4,411,838**		**3,759,716**
Fixed Assets					
Office Equipments	*H*	37,227		32,504	
Furniture & Fixtures	*H*	186,570		86,849	
Warehouse Equip & Fixtures	*H*	30,123		30,123	
(Less) Accumulated Depreciation		(104,951)		(91,652)	
Total Fixed assets			**148,969**		**57,824**
Goodwill					
Goodwill	*I*	900,000		900,000	
Less Acc. Amortization	*I*	(900,000)		(900,000)	
Total Other Assets			**-**		**-**
Total Assets			**4,560,807**		**3,817,540**
LIABILITIES & SHAREHOLDER'S EQUITY					
Current Liabilities					
Accounts Payable	*J*	954,708		612,453	
Accrued Expenses	*K*	118,622		15,339	
Deferred Income Tax Payable	*L*	19,506			
Income Tax Payable (State)	*M*	1,037		377	
Deferred Rent (Short Term)	*N*	3,311		3,311	
Loans and Advances	*O*				
Total Current Liabilities			**1,097,184**		**631,480**
Long Term Liabilities					
Deferred Rent	*P*	4,415		7,727	
Total Long Term Liabilities			**4,415**		**7,727**
Shareholder's Equity					
Capital Stock	*Q*	1,600,000		1,600,000	
Retained Earnings	*R*	1,859,208		1,578,333	
Total Shareholder's Equity			**3,459,208**		**3,178,333**
Total Liabilities & Shareholder's Equity			**4,560,807**		**3,817,540**

The accompanying report and notes are integral parts of these statements

GREENLAM AMERICA INC.

Statement of Income

(For the year ended 31st march, 2022)

			(US $)	
Income		*March 2022*		*March 2021*
Gross Sales	16,406,652		10,493,391	
Opening Inventory	1,227,517		731,691	
Purchases	13,517,047		9,056,796	
	14,744,564		9,788,487	
Less Closing Inventory	1,555,394		1,227,517	
Less Obslete Inventory				
Cost of Goods Sold		13,189,170		8,560,970
Gross Profit		**3,217,482**		**1,932,421**
General and Administrative Expenses				
Accounting Fee	18,000		18,000	
Bank Service Charges	11,346		21,955	
Consultancy Fee	195,055		199,231	
Depreciation Expense	13,299		10,041	
Insurance Expenses	73,729		72,757	
Legal and Professional Fees	38,755		21,590	
Office Expenses	3,814		5,552	
Staff Welfare	1,681		-	
Payroll Expenses	575,322		674,369	
Postage and Shipping	15,634		24,481	
Rent Expense	246,611		161,992	
Income Taxes	391,208		179,288	
Repairs and Maintenanace	434		1,825	
Selling Expenses	65,128		57,639	
Telephone and Fax Charges	26,201		20,787	
Travel Expenses	64,934		4,973	
Warehouse Expenses	114,731		79,010	
Bad debts	40,725		9,260	
Total Expenses		**1,896,607**		**1,562,750**
Profit from Operations		**1,320,875**		**369,671**
Other Income		-		314,414
Other Expense (Bank Interest)		-		2,351
Net Profit		**1,320,875**		**681,734**

The accompanying report and notes are integral parts of these statements

GREENLAM AMERICA INC.

Statement of Retained Earnings

(For the year ended 31st March, 2022)

(US$)

	March 2022	*March 2021*
Opening Retained Earnings balance	**1,578,333**	**896,599**
Net Income for the period	1,320,875	681,734
Dividend distribution during the period	(1,040,000)	-
Closing Balance	**1,859,208**	**1,578,333**

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GREENLAM AMERICA INC.

Statement of Cash Flow

(For the year ended 31st March, 2022)

(US $)

		March 2022		*March 2021*
Cash Flow from Operating Activities				
Net Income		**1,320,875**		**681,734**
Changes in Assets and Liabilities				
Increase/Decrease in Accounts Receivables	(251,559)		375,946	
Increase/Decrease in Prepaid Expenses	(10,311)		858	
Increase/Decrease in Vendor Deposit/Advance	(12,973)		7,700	
Increase in Goods in Transit	(364,810)		(416,043)	
Decrease/Increase of Inventory	36,932		(79,783)	
Increase of Accounts Payable	342,255		506,692	
Increase/decrease in Accrued Expenses	103,283		(260,459)	
Increase in Accrued Interest	-		(842)	
Increase/Decrease in Provision (Income Tax)	660		(12,295)	
Increase in Advance tax	(87,835)		(28,111)	
Increase in deferred rent (Short term)	-		-	
Decrease/increase in Line of Credit	-		(675,000)	
Increase in Deferred Income Tax	19,506			
Increase in deferred rent (Long term)	(3,311)		(3,311)	
Depreciation	13,299	(214,864)	10,041	(574,607)
		1,106,011		**107,127**
Cash Flow from Investing Activities				
Increase in Fixed Asset	(104,444)			
Dividend distribution	(1,040,000)		-	
Accum Depreciation of Furniture &Fixtures	-	**(1,144,444)**	-	**-**
Net Decrease in Cash		**(38,433)**		**107,127**
Cash at the beginning of the period		153,233		46,106
Cash at the end of the period		**114,800**		**153,233**

The accompanying report and notes are integral parts of these statements

GREENLAM AMERICA INC.
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANACIAL STATEMENTS
(For the Year ended 31st March 2022)

Note 1: SIGNIFICANCE OF ACCOUNTING POLICIES

Disclosure of Accounting Policies:

Nature of Operations

The Company was incorporated under the laws of the State of Florida for the purpose of distributing decorative laminates of the highest quality for the office and home improvement, as well as the construction industry. Greenlam America Inc., is 100% owned by Greenlam Industries Limited which owns 100% share capital of "Greenlam America Inc."

Greenlam Industries Limited (GIL), is a $217.49 Million Company as on March 31, 2022, with headquarters in Delhi, India, where it is established as India's Premier Interior Infrastructure Company.

Greenlam manufactures Decorative laminates, Compact Boards, Decorative Plywood, Engineered Wooden Flooring, Engineered Door, Door Leaf, Clad and allied products. It distributes laminates to an extensive dealer network spread all over the World. In addition, it owns this company (Greenlam America Inc.), Greenlam South Limited (Indian Subsidiary Co.) and Singapore subsidiary (Greenlam Asia Pacific PTE, Ltd).

Greenlam, the flagship decorative laminate brand from Greenlam Industries Limited, is one of India's fastest selling brands and currently it is being exported to more than 110 countries including Canada, USA, Mexico, Colombia, Salvador, Ecuador, Guatemala, UK, Germany, Switzerland, Italy, Netherlands, Poland, Turkey, Australia, New Zealand, Thailand, Indonesia, Taiwan, Hong Kong, China, Malaysia, Singapore, Dubai and Israel.

Revenue and Cost Recognition

The financial statements are prepared using US Generally Accepted Accounting Principles (GAAP), using the accrual method, which requires income to be recognized when earned and expenses when incurred.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America.

Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenses. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Valuation of Inventory

The company purchases most of its inventory from its parent company (Greenlam Industries Limited). Inventories are carried at the lower of cost and net realizable value. Inventory values are maintained using the "weighted average" method, under a perpetual system, where the cost is adjusted by item, as new units with different pricing are added to the inventory, and old units are sold, "weighted" cost changes.

Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts of payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated. Cash and cash equivalents on the balance sheet typically comprise cash at bank.

Contingencies and Subsequent Events

Disclosure of contingencies as required by the accounting standard is furnished in the Notes on each account, where disclosure is needed.

Fixed Assets and Depreciation

Fixed Assets are shown on the balance sheet net of accumulated depreciation at Original Cost minus Depreciation (Book Value). Depreciation is provided for on Straight Line Method and Double declining Balance method is applied for Federal Income Tax Purposes.

Goodwill

In the year 2014, Corporation acquired Goodwill from Keystone Laminates Inc. for a total consideration of $ 900,000 and the consideration is payable in 36 months. The Goodwill is shown on the balance sheet net of accumulated amortization at Original Cost minus Amortization (Book Value). Amortization is provided for on Straight Line Method (five years) for Federal Income Tax Purposes.

GREENLAM AMERICA INC.
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANACIAL STATEMENTS
(For the Year ended 31st March 2022)

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Accounting for Taxes on Income

The Company is responsible for Federal and State Income tax as a C corporation. For the year ended March 31, 2022, income tax is accounted for $391,208 including deferred taxes of $19,506. Deferred taxes are temporary depreciation timing difference.

Related Party Disclosures

Disclosure of related parties as required by the accounting standards is furnished in the Notes on Accounts.

Note 2: NOTES ON ACCOUNT

Accounts Receivable and Allowance for Doubtful Accounts

Accounts Receivable

The Company's credit policy with its customers typically varies from advance payments at the beginning of the commercial relationship, to 90 day terms based on the creditworthiness and payment experience. Receivables are insured through Euler Hermes Credit Insurance policy.

Allowance for Doubtful Accounts and Bad Debt

Management recognizes Bad Debts using the Allowance Method. Total amount provided for doubtful debts as on March 31, 2022 is $40,725.

Vendor Deposits

The Company has deposits outstanding with landlords, vendors for advance rents, utilities and other service companies such as delivery and freight as follows:

Adopt A plant leasing Company	129
Ritz 24B, Inc.	13,000
Hines VAF II Doral	5,913
	19,042

GREENLAM AMERICA INC.
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANACIAL STATEMENTS
(For the Year ended 31st March 2022)

Accounts Payable

The Company purchases most of its products from its parent Greenlam as needed, as such. The majority of amounts under Accounts Payable, besides Freight and other charges, at the end of this fiscal year were owed to Greenlam Industries Limited, with an outstanding payable of $ 867,296.

Accrued Expenses

The Company accrues for utility bills and General Administrative expenses as invoices are received from these vendors. Company also accrues bonus and commission on sales.

Bank Loans

Company surrendered line of credit facility of $1.00 million from Citi Bank N.A., during the year ended 31st March, 2022.

Long-term Commitments

The Company has following open agreement with landlord:

Type	Location	Date	Length	Monthly	Total
Office Lease	Miami	April 2020 - July 2024	28 Months	$6,279	$ 175,812
Warehouse Lease	PA	April 2020 - June 2024	27 Months	$5,849	$ 157,923

The Company has following five year agreement with following Parties:

Parties	Location	Date	Length	Monthly	Total
Keystone Laminates Inc. Consultancy	PA	April 2020 - June 2024	27 Months	$ 11,633	$ 314,099
Sonal Detroja Employment	PA	April 2020 - June 2024	27 Months	$9,250	$ 249,750

Capital Stock

As of March 31, 2022, shares subscribed and paid up were:

Number	Type	Par Value	Total value
1,600,000	Common	$ 1.00	$ 1,600,000

GREENLAM AMERICA INC

Schedules forming part of the Accounts

(As at 31st March, 2022)

		(US$)	
		March 2022	*March 2021*
A	**Cash and Bank**		
	Citi Bank NA.	114,234	152,667
	Cah in Hand	566	566
		114,800	153,233
B	**Accounts Receivables**		
	Total Debtors	2,627,957	2,337,421
	Less-Provisions for Doubtful Debts	(40,725)	(1,748)
		2,587,232	2,335,673
C	**Prepaid Expenses**		
	Credit Insurance	6,424	9,113
	Guest House Rent	13,000	-
		19,424	9,113
D	Advance Tax	115,946	28,111
		115,946	28,111
E	**Vendor Deposit**		
	Crystal Springs	-	27
	Hines VAF II Doral, L.P.	5,913	5,913
	Ritz 24B, Inc.	13,000	-
	Adopt A Plant	129	129
		19,042	6,069
F	**Goods in Transit**		
	Goods in Transit	964,823	600,014
		964,823	600,014
G	**Inventory**		
	Pennsylvania WH	498,855	627,503
	VMI Colombia	91,716	-
		590,571	627,503

GRENLAM AMERICA INC.

(As at 31st March, 2022)

H

Fixed Assets

Assets	Original cost	Additions during the year	Disposal prior periods	Cost as at 31 March 2022	Accumulated Depreciation till March 31 2021	Depreciation for the year	Depreciaion on Disposals for the period	Accum Depr at 31 March 2022	Carrying Value
Office Equipment	32,504	4,723	-	37,227	10,106	472	-	10,578	26,649
Furniture & Fixtures	86,849	99,721	-	186,570	53,037	7,974	-	61,011	125,559
Warehouse Equipment	30,123	-	-	30,123	28,509	4,853	-	33,362	(3,239)
Total	**149,476**	**104,444**	**-**	**253,920**	**91,652**	**13,299**	**-**	**104,951**	**148,969**

I

Goodwill

Assets	Original cost	Additions during the year	Cost as at 31 March 2022	Accumulated Amortization till March 31 2021	Amortization for the year	Accumulated Amortization at 31 March 2022	Carrying Value
Goodwill	900,000	-	900,000	900,000	-	900,000	-
Total	**900,000**	**-**	**900,000**	**900,000**	**-**	**900,000**	**-**

The accompanying report and notes are integral parts of these statements

GREENLAM AMERICA INC

Schedules forming part of the Accounts

(As at 31st March, 2022)

		March 2022	*(US$) March 2021*
J	**Accounts Payable**		
	Greenlam Industries Limited, Holding Company	867,296	570,871
	Other Payables	87,412	41,582
		954,708	612,453
K	**Accrued Expenses and Provisions**		
	Freight, Duties and Clearing	31,382	8,168
	Sale Promotions	188	-
	Bonus and Commission	79,552	7,171
	Warehousing	7,500	-
		118,622	15,339
L	**Deferred Income Tax Liability**		
	Federal Income Tax	16,696	-
	Florida state Income tax	2,810	
		19,506	-
M	**Provision for Income taxes**		
	Federal and State Income Tax (Payable)	1,037	377
		1,037	377
N	**Deferred Rent (Short term)**		
	Deferred Rent (Short term)	3,311	3,311
		3,311	3,311
O	**Loans and Advances**		
	Citi Bank NA (A/C 3300174266)	-	-
		-	-
P	**Deferred Rent (Long term)**		
	Deferred Rent (Long term)	4,415	7,727
		4,415	7,727
Q	**Capital Stock**		
	Issued Subscribed and Paid up	1,600,000	1,600,000
		1,600,000	1,600,000
R	**Retained Earnings**		
	Opening Balance as of 1st April	1,578,333	896,599
	Net Income for the Year	1,320,875	681,734
	Dividend distribution during the period	(1,040,000)	-
	Balance as on 31st March	1,859,208	1,578,333

The accompanying reports and notes are integral parts of these statements