

**STS Jewels Inc USA****Balance Sheet as at 31st Mar, 2015**

Amt in USD

	<u>Note</u>	<u>As at 31st Mar, 2015</u> \$	<u>As at 31st March, 2014</u> \$
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	5,00,000	5,00,000
Reserves And Surplus	3	3,89,646	(60,637)
Money received against share warrants		-	-
		<u>8,89,646</u>	<u>4,39,363</u>
<b>Share application money pending allotment</b>		-	-
<b>Non-Current Liabilities</b>			
Long Term Liabilities	4	7,30,000	7,30,000
		<u>7,30,000</u>	<u>7,30,000</u>
<b>Current Liabilities</b>			
Trade Payables	5	31,85,110	38,92,563
Other Current Liabilities	6	4,96,269	3,33,466
		<u>36,81,379</u>	<u>42,26,029</u>
<b>Total</b>		<u><u>53,01,024</u></u>	<u><u>53,95,392</u></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets		21,170	23,762
Capital Work-In-Progress		-	-
		<u>21,170</u>	<u>23,762</u>
<b>Current Assets</b>			
Current Investments		-	-
Inventories	7	24,86,751	22,17,465
Trade Receivables	8	26,96,518	29,73,650
Cash and Bank Balances	9	48,031	1,50,678
Short-Term Loans and Advances	10	48,554	29,837
		<u>52,79,854</u>	<u>53,71,630</u>
<b>Total</b>		<u><u>53,01,024</u></u>	<u><u>53,95,392</u></u>

Significant Accounting Policies & Notes to Accounts referred to above form an integral part of financial statements 2 to 17

For **NWK CPA, PLLC**  
Austin, Texas

For and on behalf of the Board

Neerja Kwatra  
Certified Public Accountant

Director

April 29th, 2015

Place: Austin, Texas  
Date: April 29th, 2015

# STS Jewels Inc USA

## Statement of Profit & Loss for the year quarter 31st March, 2015

Amt in USD

	<u>Note No.</u>	<u>Year ended 31st Mar, 2015</u> \$	<u>Year ended 31st March, 2014</u> \$
<b>REVENUE</b>			
Revenue From Operations	11	124,95,675	129,42,305
Other Income	12	2,005	387
<b>Total</b>		<b>124,97,680</b>	<b>129,42,692</b>
<b>EXPENSES</b>			
Purchases of Stock-In-Trade	13	102,76,192	98,56,619
Changes in Stock-In-Trade	14	(2,69,286)	6,22,505
Employee Benefits Expense	15	7,07,789	7,39,733
Finance Costs	16	4,617	4,581
Depreciation and Amortization Expense		7,301	6,770
Other Expenses	17	13,20,783	13,23,537
<b>Total</b>		<b>120,47,397</b>	<b>125,53,745</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>4,50,284</b>	<b>3,88,948</b>
Exceptional Items (refer Note No. 33)		-	-
<b>Profit Before Tax</b>		<b>4,50,284</b>	<b>3,88,948</b>
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax Charges/(Credits)		-	-
		-	-
<b>Profit for the Year</b>		<b>4,50,284</b>	<b>3,88,948</b>

For **NWK CPA, PLLC**  
Austin, Texas

For and on behalf of the Board

Neerja Kwatra  
Certified Public Accountant

Director

April 29th, 2015

Place: Austin, Texas  
Date: April 29th, 2015

**STS Jewels Inc USA**
**Notes Accompanying to the financial statement for the quarter ended March 31, 2015**

Amt in USD

Note No.

**2 Share Capital**

- a The details of Authorised, Issued, Subscribed and paid up capital are as under :-

Share Capital	As at		As at	
	31st Mar, 2015		31st March, 2014	
	Number	Amount	Number	Amount
<b>Authorised</b>				
500 Equity Shares of 1000 USD each		5,00,000		5,00,000
<b>Issued, Subscribed and Paid up</b>				
500 Equity Shares of 1000 USD each		5,00,000		5,00,000
		-		-
		<u>5,00,000</u>		<u>5,00,000</u>

**3 Reserves & Surplus**

	As at		As at	
	31st Mar, 2015		31st March, 2014	
	\$	\$	\$	\$
<b>A. Securities Premium Account :</b>				
Opening Balance	24,90,357		24,90,357	
Add: Security premium credited on share issue	-		-	
	24,90,357		24,90,357	
Less: Premium utilised for various reasons	-		-	
		24,90,357		24,90,357
<b>B. Surplus/ (Deficit)</b>				
Opening balance	(25,50,995)		(29,39,941)	
Add: During the year	4,50,284		3,88,947	
Net Profit for the current year	(21,00,711)		(25,50,994)	
Surplus/ (Deficit)		(21,00,711)		(25,50,994)
		<u>3,89,646</u>		<u>(60,637)</u>

**NON CURRENT LIABILITIES**
**4 Long Term Borrowings**

	As at		As at	
	31st Mar, 2015		31st March, 2014	
	\$	\$	\$	\$
<b>From Related parties</b>				
		7,30,000		7,30,000
		<u>7,30,000</u>		<u>7,30,000</u>

**5 Trade Payables**

	As at		As at	
	31st Mar, 2015		31st March, 2014	
	\$	\$	\$	\$
Trade Payables		31,85,110		38,92,563
		<u>31,85,110</u>		<u>38,92,563</u>

**6 Other Current Liabilities**

- a. Other Current Liabilities consists of following :-

	As at		As at	
	31st Mar, 2015		31st March, 2014	
	\$	\$	\$	\$
Statutory Dues( including PF,TDS etc.)		36,245		25,146
Other Liabilities		36,310		36,138
Accrued Expenses		4,23,714		2,72,182
		<u>4,96,269</u>		<u>3,33,466</u>

**CURRENT ASSETS**
**7 INVENTORIES**

	As at		As at	
	31st Mar, 2015		31st March, 2014	
	\$	\$	\$	\$
Closing Stock		24,86,751		22,17,465
		<u>24,86,751</u>		<u>22,17,465</u>

8	<b>TRADE RECEIVABLES</b>	As at <u>31st Mar, 2015</u>	As at <u>31st March, 2014</u>
		\$	\$
	3rd Party	19,05,878	16,05,199
	Inter Company	<u>7,90,640</u>	<u>13,68,451</u>
		26,96,518	29,73,650
	Less : Provision for Doubtful Debts brought forward		-
	Less : Provison appropriated to Investment		-
		<u>26,96,518</u>	<u>29,73,650</u>
		<u><u>26,96,518</u></u>	<u><u>29,73,650</u></u>
9	<b>CASH AND BANK BALANCES</b>	As at <u>31st Mar, 2015</u>	As at <u>31st March, 2014</u>
		\$	\$
	<b>Cash &amp; Cash Equivalents</b>		
	Balance with Banks	42,635	1,48,375
	Cash on hand	<u>5,396</u>	<u>2,303</u>
		48,031	1,50,678
	<b>Other Bank Balance</b>		
	Bank Deposits (Pledged)	-	-
		<u>48,031</u>	<u>1,50,678</u>
		<u><u>48,031</u></u>	<u><u>1,50,678</u></u>
10	<b>SHORT TERM LOANS AND ADVANCES</b> <i>(Unsecured and considered good unless otherwise stated)</i>	As at <u>31st Mar, 2015</u>	As at <u>31st March, 2014</u>
		\$	\$
	Advance to Staff	-	7,309
	Prepaid Expenses	46,400	20,374
	Balance with Tax authorities	838	838
	Security Deposits	<u>1,316</u>	<u>1,316</u>
		48,554	29,837
		<u><u>48,554</u></u>	<u><u>29,837</u></u>
11	<b>REVENUE FROM OPERATIONS</b>	Year ended <u>31st Mar, 2015</u>	Year ended <u>31st March, 2014</u>
		\$	\$
	Sale of Products:		
	Export Sales	41,73,923	37,44,205
	Domestic Sales	<u>83,21,752</u>	<u>91,98,101</u>
	Other Operating revenue	-	-
		<u>124,95,675</u>	<u>129,42,305</u>
		<u><u>124,95,675</u></u>	<u><u>129,42,305</u></u>
12	<b>OTHER INCOME</b>	Year ended <u>31st Mar, 2015</u>	Year ended <u>31st March, 2014</u>
		\$	\$
	Interest	-	-
	Misc. Income	2,005	387
		<u>2,005</u>	<u>387</u>
		<u><u>2,005</u></u>	<u><u>387</u></u>
13	<b>PURCHASES OF STOCK-IN-TRADE</b>	Year ended <u>31st Mar, 2015</u>	Year ended <u>31st March, 2014</u>
		\$	\$
	Purchases of Finished Goods	<u>102,76,192</u>	<u>98,56,619</u>
		<u><u>102,76,192</u></u>	<u><u>98,56,619</u></u>
14	<b>CHANGES IN STOCK-IN-TRADE</b> Decrease/(Increase) of Stock-in-Trade consists of	Year ended <u>31st Mar, 2015</u>	Year ended <u>31st March, 2014</u>
		\$	\$
	<b>Finished Goods:</b>		
	<i>Opening Stocks</i>		
	Semi Finished Goods	-	-
	Finished Goods	22,17,465	28,39,970
		<u>22,17,465</u>	<u>28,39,970</u>
	<i>Less: Closing Stocks</i>		
	Semi Finished Goods	-	-
	Finished Goods	24,86,751	22,17,465
		<u>24,86,751</u>	<u>22,17,465</u>
		<u>24,86,751</u>	<u>22,17,465</u>
		<u><u>(2,69,286)</u></u>	<u><u>6,22,505</u></u>
		<u><u>(2,69,286)</u></u>	<u><u>6,22,505</u></u>

15 **EMPLOYEES BENEFIT EXPENSE**

	Year ended 31st Mar, 2015	Year ended 31st March, 2014
	\$	\$
Salaries, Wages, Bonus etc.	5,34,948	5,65,455
Contributions to Provident and Other Funds	1,72,841	1,74,277
	<u>7,07,789</u>	<u>7,39,733</u>

16 **FINANCE COST**

	Year ended 31st Mar, 2015	Year ended 31st March, 2014
	\$	\$
Finance Charges	4,617	4,581
	<u>4,617</u>	<u>4,581</u>

17 **OTHER EXPENSES**

a. **MANUFACTURING EXPENSES**

	Year ended 31st Mar, 2015	Year ended 31st March, 2014
	\$	\$
Cost of Samples	2,66,668	2,59,200
Freight, Taxes and Duties	3,83,175	4,61,139
	<u>6,49,843</u>	<u>7,20,339</u>

b. **ADMINISTRATIVE & SELLING EXPENSES**

	Year ended 31st Mar, 2015	Year ended 31st March, 2014
	\$	\$
Rent, Rates and Taxes	75,607	53,201
Insurance	15,275	11,776
Travelling and Conveyance	34,790	39,319
Legal and Professional	21,942	32,617
Postage and Telephone and Utility	7,978	5,941
Advertisement and Business Promotion	3,33,115	3,01,624
Packing and Forwarding	69,739	45,228
Misc. Expenses	1,12,493	1,13,491
	<u>6,70,940</u>	<u>6,03,198</u>
<b>Total Other Expenses</b>	<u>13,20,783</u>	<u>13,23,537</u>

*For NWK CPA, PLLC  
Austin, Texas*

*For and on behalf of the Board*

Neerja Kwatra  
Certified Public Accountant

*Director*

*April 29th, 2015*

*Place: Austin, Texas  
Date: April 29th, 2015*