

**STS GEMS JAPAN LTD.****Balance Sheet****(All amount in Yen)**

	Notes	31 Mar 2022	31 Mar 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		-	
Capital work-in-progress		-	
Goodwill		-	
Intangible assets			
Financial assets			
Investments in subsidiary companies			
Others	4	50,000	50,000
Deferred tax assets (net)		-	
Other non-current assets		-	
<b>Total non-current assets</b>		<b>50,000</b>	<b>50,000</b>
<b>Current assets</b>			
Inventories	5	62,93,479	
Investments		-	
Trade receivables		41,775	
Loans to related party			
Receivables	18	10,89,800	
Cash and cash equivalents	6	7,49,440	13,527
<b>Total current assets</b>		<b>81,74,494</b>	<b>13,527</b>
<b>Total Assets</b>		<b>82,24,494</b>	<b>63,527</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated capital	7	7,50,00,000	7,50,00,000
Retained Earnings	8	(7,79,70,307)	(7,59,93,745)
Securities premium			
Capital reserve			
Others (including items of other comprehensive income)			
Share application money pending allotment			
<b>Equity attributable to equity holders of the parent</b>		<b>(29,70,307)</b>	<b>(9,93,745)</b>
<b>Total equity</b>		<b>(29,70,307)</b>	<b>(9,93,745)</b>
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	9	77,47,490	3,68,632
Other financial liabilities			
Provisions		-	
Other non-current liabilities			
<b>Total non-current liabilities</b>		<b>77,47,490</b>	<b>3,68,632</b>
<b>Current liabilities</b>			
Amount due to related party			
Amount due to shareholders			
Accruals		8,316	
Tax liability	10	8,05,255	6,25,000
Trade Payables		25,91,207	63,640

Other current liabilities	11	42,533	
<b>Total current liabilities</b>		<u>34,47,311</u>	<u>6,88,640</u>
<b>Total liabilities</b>		<u>1,11,94,801</u>	<u>10,57,272</u>
<b>Total Equity and Liabilities</b>		<u>82,24,494</u>	<u>63,527</u>

Significant accounting policies 3.

The accompanying notes are an integral part of the consolidated financial statements.

As per our attached report of even date

*For Hatsushika Gimsho*  
*Chartered Accountants*  
FRN 000205C

**Hatsushika Gimsho**  
*Partner*

Place: Japan  
Date : 13th May 2022

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**STS GEMS JAPAN LTD.**  
**Statement of Profit and Loss**  
**(All amount in Yen)**

	Notes	For period ended 31 Mar 2022	For period ended 31 Mar 2021
Sale of goods		3,65,095	
Exchange gain		(6,240)	(8,691)
<b>Revenue from operations</b>		<b>3,58,855</b>	<b>(8,691)</b>
Other income	12	1,509	1,505
<b>Total Income</b>		<b>3,60,364</b>	<b>(7,186)</b>
<b>EXPENSES</b>			
Cost of materials consumed			
Purchases of stock-in-trade	13	65,38,419	
Change in inventories of finished goods, stock-in-trade and work-in-progress	14	(62,93,479)	
Employee benefits expense		-	
Finance costs	15	80,675	1,760
Depreciation and amortization expense			
Other expenses			
- Manufacturing and direct expenses	16a	21,811	
Administrative and selling expenses	16b	18,09,245	55,000
Depreciation and amortisation expense			-
<b>Total expenses</b>		<b>21,56,670</b>	<b>56,760</b>
Gain on disposal of investment in subsidiary company			
<b>Profit before tax</b>		<b>(17,96,306)</b>	<b>(63,946)</b>
Income tax expense	17		
- Current tax expenses		1,80,255	255
- Deferred tax charge/ (credit)		-	-
		1,80,255	255
<b>Profit for the year (A)</b>		<b>(19,76,562)</b>	<b>(64,201)</b>

The accompanying notes are an integral part of the consolidated financial statements.

As per our attached report of even date

*For Hatsushika Gimsho*  
*Chartered Accountants*  
FRN 000205C

**Hatsushika Gimsho**  
**Partner**

Place: Japan  
Date : 13th May 2022

STS GEMS JAPAN LTD. Notes to financial statements (All amount in Yen)	For period ended 31 Mar 2022	For period ended 31 Mar 2021
<b>4 Non-current investments</b>		
<b>Unquoted investment</b>		
<b>Investment in equity instruments at FVTPL</b>		
Investment in equity instruments	50,000	50,000
<b>Total non current investments</b>	<b>50,000</b>	
<b>Total investments</b>	<b>50,000</b>	<b>50,000</b>
<b>5 Inventories</b>		
Stock-in trade	62,93,479	
Finished Goods	-	
<b>Total</b>	<b>62,93,479</b>	
<b>6 Cash and cash equivalent</b>		
<b>Balances with banks:</b>		
Balance with bank current account	6,59,479	13,527
Cash on hand	89,961	
<b>Total</b>	<b>7,49,440</b>	<b>13,527</b>
<b>7 Share Capital</b>		
<b>Issued, subscribed and fully paid up</b>		
Share capital	7,50,00,000	7,50,00,000
	<b>7,50,00,000</b>	<b>7,50,00,000</b>
<b>8 Other equity</b>		
<b>Reserves &amp; Surplus</b>		
<b>Retained earnings</b>		
Opening balance of retained earnings	- 7,59,93,745	- 7,59,29,544
Net profit for the year	- 19,76,562	- 64,201
<b>Total</b>	<b>- 7,79,70,307</b>	<b>- 7,59,93,745</b>
<b>9 Borrowings</b>		
<b>Non-current borrowings:</b>		
Loan from related party	77,47,490	3,68,632
<b>Total non-current Borrowings</b>	<b>77,47,490</b>	<b>3,68,632</b>
<b>10 Current tax liabilities (net)</b>		
TDS Payable	-	
Provision for income tax	8,05,255	6,25,000
<b>Total</b>	<b>8,05,255</b>	<b>6,25,000</b>
<b>11 Other Current liabilities</b>		
Interest payable on Inter company loan	42,533	
<b>Total other liabilities</b>	<b>42,533</b>	
<b>Total Current Liabilities</b>	<b>8,47,788</b>	
<b>12 Other income:</b>		

Interest	4	
Dividend Income	1,250	1,250
Miscellaneous income	255	255
<b>Total</b>	<b>1,509</b>	<b>1,505</b>
<b>13 Cost of material consumed</b>		
Material in process at the beginning	-	
Purchases During the year		
Purchases	65,38,419	
Material in process at the end	-	
<b>Cost of material consumed during the period</b>	<b>65,38,419</b>	
<b>14 Change in inventories</b>		
<b>Inventory at the beginning of the year</b>		
Stock in trade	-	
<b>Inventory at the end of the year</b>		
Stock in trade	62,93,479	
<b>Decrease/(Increase) of stock</b>	<b>- 62,93,479</b>	
<b>15 Finance costs</b>		
Interest on debts and borrowings	42,533	
Other borrowing costs	38,142	1,760
<b>Total</b>	<b>80,675</b>	<b>1,760</b>
<b>16 Other expense</b>		
<b>a. Manufacturing and Direct Expenses</b>		
Other manufacturing and direct expenses		
Stores and consumables consumed (Stores)	21,811	
<b>Total</b>	<b>21,811</b>	<b>-</b>
<b>b. Administrative and Selling Expenses</b>		
Freight outwards	30,680	
Marketplace marketing expenses	7,47,032	
Legal & Professional expenses	9,73,555	
Telephone Expenses	8,228	
Postage and courier	49,750	
Office expenses	-	
Unrealised Loss		
Payment to auditors		55,000
<b>Total</b>	<b>18,09,245</b>	<b>55,000</b>
<b>17 Tax expenses</b>		
<b>Income tax charge</b>		
Current Tax	1,80,255	255
<b>Total</b>		<b>255</b>

**18 Other Current Assets**

VGL

10,89,800

**Total**

**10,89,800**

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