

STS Gems Thai Limited**Balance Sheet as at 31st March, 2018***(Amount in Thai Bath)*

	<u>Note</u>	<u>As at 31st March, 2018</u>	<u>As at 31st Mar, 2017</u>
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	35,000,000	35,000,000
Reserves And Surplus	3	<u>(8,345,286)</u>	<u>(15,675,290)</u>
		26,654,714	19,324,710
Non-Current Liabilities			
Long-Term Borrowings	4	<u>78,719,891</u>	<u>86,760,994</u>
		78,719,891	86,760,994
Current Liabilities			
Trade Payables	5	21,848,048	20,624,659
Other Current Liabilities	6	<u>4,171,204</u>	<u>4,026,921</u>
		26,019,252	24,651,579
Total		<u>131,393,857</u>	<u>130,737,283</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	7	553,193	954,739
Long-Term Loans and Advances	8	<u>4,658,595</u>	<u>5,142,855</u>
		5,211,788	6,097,594
Current Assets			
Inventories	9	33,599,336	24,284,431
Trade Receivables	10	84,362,053	89,009,149
Cash and Bank Balances	11	3,760,962	2,900,684
Short-Term Loans and Advances	12	<u>4,459,719</u>	<u>8,445,424</u>
		126,182,069	124,639,688
Total		<u>131,393,857</u>	<u>130,737,283</u>

For MORISON CKS COMPANY LIMITED

For and on behalf of the Board

NETILUCK DENSIRMONGKOLCertified Public Accountant
(Thailand) No. 5192

Director

Place: Bangkok
Date: 11 April 2018Place: Bangkok
Date: 11 April 2018

STS Gems Thai Limited

Statement of Profit and Loss for the year ended 31st March, 2018

(Amount in Thai Bath)

	<u>Note No.</u>	<u>Year ended 31st March, 2018</u>	<u>Year ended 31st Mar, 2017</u>
REVENUE			
Revenue From Operations	13	257,898,061	248,990,678
Other Income	14	308,153	1,134,973
Total		<u>258,206,214</u>	<u>250,125,651</u>
EXPENSES			
Purchases of Stock-In-Trade	15	236,826,064	215,529,267
Changes in Stock-In-Trade	16	(9,314,905)	3,236,338
Employee Benefits Expense	17	12,621,070	9,974,976
Finance Costs	18	1,567,432	2,959,094
Depreciation and Amortization Expense	7	525,956	550,007
Other Expenses	19	8,650,593	8,479,792
Total		<u>250,876,209</u>	<u>240,729,474</u>
Profit Before Exceptional Items and Tax		7,330,004	9,396,177
Exceptional Items		-	-
Profit Before Tax		<u>7,330,004</u>	<u>9,396,177</u>
Profit for the Year		<u><u>7,330,004</u></u>	<u><u>9,396,177</u></u>

For MORISON CKS COMPANY LIMITED

For and on behalf of the Board

NETILUCK DENSIRMONGKOL

Certified Public Accountant
(Thailand) No. 5192

Director

Place: Bangkok
Date: 11 April 2018

Place: Bangkok
Date: 11 April 2018

STS Gems Thai Limited
Notes Accompanying to the financial statement for the year ended 31 March 2018
(Amount in Thai Bath)

Note No.

2 Share Capital

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

Share Capital	As at 31st March, 2018		As at 31st Mar, 2017	
	Number	Amount	Number	Amount
Issued, Subscribed and Paid up				
350,000 Equity Shares of Bath 100 each		35,000,000		35,000,000
		35,000,000		35,000,000

3 Reserves & Surplus

	As at 31st March, 2018		As at 31st Mar, 2017	
B. Securities Premium Account :				
Opening Balance	148,100,000		148,100,000	
Add: Security premium credited on share issue	-		-	
	148,100,000		148,100,000	
Less: Premium utilised for various reasons	-		-	
		148,100,000		148,100,000
D. General Reserve:				
Opening Balance	189,586,562		189,586,562	
Add: Transferred from Profit and Loss Account	-		-	
	189,586,562		189,586,562	
Less: Withdrawn during the year	-	189,586,562	-	189,586,562
F. Surplus/ (Deficit)				
Opening balance	(353,361,852)		(362,758,029)	
Net Profit for the current year	7,330,004		9,396,177	
Surplus/ (Deficit)		(346,031,847)		(353,361,852)
		(8,345,286)		(15,675,290)

NON CURRENT LIABILITIES

4 Long Term Borrowings

a The details of Secured or Unsecured Long Term Borrowings outstanding as at March 31st, 2017 are as under :-

Secured:	As at 31st March, 2018		As at 31st Mar, 2017	
Term Loan from Banks				
Corporate Loan #	78,719,891		86,760,994	
Working Capital Term Loan #	-	78,719,891	-	86,760,994
		78,719,891		86,760,994

5 Trade Payables

Trade Payables	As at 31st March, 2018		As at 31st Mar, 2017	
Trade Payables		21,848,048		20,624,659
		21,848,048		20,624,659

6 Other Current Liabilities

a Other Current Liabilities consists of following :-

Current Maturity of Long Term Debt:	As at 31st March, 2018		As at 31st Mar, 2017	
Employee benefit payables		1,826,832		-
Statutory Dues(including PF, TDS etc.)		1,417,847		1,611,188
Other Payables#		926,525		2,415,732
		4,171,204		4,026,921

NON CURRENT ASSETS

Note 7 Fixed Assets

Amount in

	NAME OF ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 01.04.2017	Addition	As at 31.03.18	As at 01.04.2017	For the Year	Ded./Adj. during the year	As at 31.03.18	As at 31.03.18	As at 31.3.2017
A.	Tangible Assets									
	Furniture & Fixtures	211,817.15	12,050.00	223,867.15	89,656.59	42,370.26	534.30	132,561.15	91,306.00	122,160.56
	Office Equipment	345,654.09	87,542.16	433,196.25	205,293.18	47,559.10	7,769.58	260,621.86	172,574.39	140,360.91
	Computer	731,342.68	24,817.40	756,160.08	592,174.57	117,290.70	4,114.83	713,580.10	42,579.98	139,168.11
	Software	346,206.60		346,206.60	150,185.54	68,516.85		218,702.39	127,504.21	196,021.06
	Vehicles	1,189,000.00		1,189,000.00	831,971.26	237,800.00		1,069,771.26	119,228.74	357,028.74
	Total	2,824,021	124,410	2,948,430	1,869,281	513,537	12,419	2,395,237	553,193.32	954,739
	Total	2,824,021	124,410	2,948,430	1,869,281	513,537	12,419	2,395,237	553,193.32	954,739

STS Gems Thai Limited
Notes Accompanying to the financial statement for the year ended 31 March 2018
(Amount in Thai Bath)

8	LONG TERM LOANS AND ADVANCES (Unsecured and considered good unless otherwise stated)	As at 31st March, 2018	As at 31st Mar, 2017
	Capital Advances	-	-
	Loans & Advances to subsidiaries		
	Considered good	4,658,595	5,142,855
	Considered doubtful	-	-
		<u>4,658,595</u>	<u>5,142,855</u>
	Less: Provision for Doubtful Debts	-	-
		<u>4,658,595</u>	<u>5,142,855</u>
		<u><u>4,658,595</u></u>	<u><u>5,142,855</u></u>
	CURRENT ASSETS		
9	INVENTORIES (Cost & Net realizable value whichever is lower) (As taken, valued and certified by the Management)	As at 31st March, 2018	As at 31st Mar, 2017
	Finished Goods	33,599,336	24,284,431
		<u>33,599,336</u>	<u>24,284,431</u>
		<u><u>33,599,336</u></u>	<u><u>24,284,431</u></u>
10	TRADE RECEIVABLES (Unsecured and considered good unless otherwise stated)	As at 31st March, 2018	As at 31st Mar, 2017
	Outstanding for a period exceeding Six Months from the date they are due for payments		
	Considered good	84,362,053	89,009,149
	Considered doubtful	-	-
		<u>84,362,053</u>	<u>89,009,149</u>
	Less : Provision for Doubtful Debts brought forward	-	0
		<u>84,362,053</u>	<u>89,009,149</u>
		<u><u>84,362,053</u></u>	<u><u>89,009,149</u></u>
11	CASH AND BANK BALANCES	As at 31st March, 2018	As at 31st Mar, 2017
	Cash & Cash Equivalents		
	Balance with Banks	3,756,604	2,895,372
	Cash on hand	4,359	5,313
		<u>3,760,962</u>	<u>2,900,684</u>
		<u><u>3,760,962</u></u>	<u><u>2,900,684</u></u>
12	SHORT TERM LOANS AND ADVANCES (Unsecured and considered good unless otherwise stated)	As at 31st March, 2018	As at 31st Mar, 2017
	Advance To Staff	287,400	287,400
	Advance To Suppliers	464,400	2,672,400
	Prepaid Expenses	13,500	13,500
	Balances with Tax Authorities	3,684,419	5,462,124
	Deposits & Warranties	10,000	10,000
		<u>4,459,719</u>	<u>8,445,424</u>
		<u><u>4,459,719</u></u>	<u><u>8,445,424</u></u>

13	REVENUE FROM OPERATIONS				
			Year ended		Year ended
			31st Mar, 2017		31st Mar, 2017
	Sale of Products:				
	Export Sales	257,898,061		248,317,693	
	Domestic Sales		257,898,061	672,985	248,990,678
			257,898,061		248,990,678
13.1	PARTICULARS OF SALE OF PRODUCTS				
			31st March, 2018		31st Mar, 2017
	Gem Stones		88,483,700		81,351,179
	Jewellery		169,414,361		167,219,045
	Accessories				420,455
			257,898,061		248,990,678
14	OTHER INCOME				
			Year ended		Year ended
			31st March, 2018		31st Mar, 2017
	Interest		245,164		263,258
	Exchange Fluctuation (Net)		62,988		871,715
			308,153		1,134,973

STS Gems Thai Limited
Notes Accompanying to the financial statement for the year ended 31 March 2018
(Amount in Thai Bath)

15	PURCHASES OF STOCK-IN-TRADE	Year ended 31st March, 2018	Year ended 31st Mar, 2017
	Purchases of Finished Goods	236,826,064	215,529,267
		<u>236,826,064</u>	<u>215,529,267</u>
15.1	PARTICULARS OF FINISHED GOODS PURCHASED	31st March, 2018	31st Mar, 2017
	Jewellery	101,437,368	79,998,314
	Stone	134,874,244	135,543,042
	Accessories	514,451	(12,088)
		<u>236,826,064</u>	<u>215,529,267</u>
16	CHANGES IN STOCK-IN-TRADE	Year ended 31st March, 2018	Year ended 31st Mar, 2017
	Decrease/(Increase) of Stock-in-Trade consists of		
	Finished Goods:		
	Opening Stocks		
	Finished Goods	24,284,431	27,520,769
		<u>24,284,431</u>	<u>27,520,769</u>
	Less: Closing Stocks		
	Finished Goods	33,599,335.6	24,284,431
		33,599,336	24,284,431
		(9,314,905)	3,236,338
		<u>(9,314,905)</u>	<u>3,236,338</u>
17	EMPLOYEES BENEFIT EXPENSE	Year ended 31st March, 2018	Year ended 31st Mar, 2017
	Contributions to Provident and Other Funds (Social Insurance)	400,289	343,396
	Employee Benefit Expense	1,826,832	-
	Medical Expenses	58,988	12,952
	Salaries, Wages, Bonus etc.	10,248,310	9,574,491
	Staff Welfare Expenses	86,651	44,137
		<u>12,621,070</u>	<u>9,974,976</u>
18	FINANCE COST	Year ended 31st March, 2018	Year ended 31st Mar, 2017
	Interest		
	- On Loans	1,473,337	2,842,501
	- On Working Capital Facilities	-	-
	Finance Charges	94,095	116,593
		1,473,337	2,842,501
		94,095	116,593
		<u>1,567,432</u>	<u>2,959,094</u>

19 OTHER EXPENSES

a. MANUFACTURING EXPENSES

	Year ended 31st March, 2018	Year ended 31st Mar, 2017
Other Manufacturing Expenses	159,883	231,732
	<u>159,883</u>	<u>231,732</u>

b. ADMINISTRATIVE & SELLING EXPENSES

	Year ended 31st March, 2018	Year ended 31st Mar, 2017
Books & Periodicals	-	1,262
Clearing & Freight	2,409,699	2,159,248
Consultation & Professional Fees	-	45,356
Corporate Income Tax	2,301,289	2,363,565
Custom Duties Expenses	4,587	10,544
Directors Expense	530,400	530,400
Electricity	276,996	321,695
Entertainment	136,444	116,216
Income Tax Payable Write off	0	0
Insurance	74,984	58,296
Internet Expense	88,982	114,988
Legal and Professional	200,960	182,479
MCM Expenses	-	28,079
Membership & Subscriptions	6,929	19,760
Office Expenses	332,621	316,738
Office Rent	480,000	480,000
Packing and Forwarding	294,225	478,665
Penalty	27,652	44
Postage and Telephone	193,466	242,454
Printing and Stationery	71,289	63,311
Repairs & Maintenance	213,920	43,055
Security Expense	54,000	54,000
Small Difference	(256)	15
Travelling and Conveyance	557,422	346,172
Vat Non Refundable	20,925	58,024
Water Expenses	9,176	8,695
Auditors' Remuneration		
- Statuary Audit Fees	205,000	205,000.00
- Reimbursement Of Expenses	-	-
	<u>8,490,709</u>	<u>8,248,060</u>
Total Other Expenses	<u><u>8,650,593</u></u>	<u><u>8,479,792</u></u>