

STS Gems Thai Limited

Balance Sheet as at 31st March, 2016

Amt in Baht

	Note	As at 31st March, 2016 Amt in Baht	As at 31st March, 2015 Amt in Baht
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	35,000,000	35,000,000
Reserves And Surplus	3	(25,071,467)	(32,261,356)
Money received against share warrants		-	-
		9,928,533	2,738,644
Share application money pending allotment			
		-	-
Non-Current Liabilities			
Long-Term Borrowings	4	88,748,648	81,969,568
		88,748,648	81,969,568
Current Liabilities			
Trade Payables	5	13,418,765	12,730,112
Other Current Liabilities	6	3,409,615	5,877,459
Short-Term Provisions	7	-	1,754,859
		16,828,380	20,362,429
Total		115,505,561	105,070,641
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets		1,322,508	1,721,954
Long-Term Loans and Advances	8	5,284,135	4,871,110
		6,606,643	6,593,064
Current Assets			
Current Investments		-	-
Inventories	9	27,520,769	29,618,179
Trade Receivables	10	70,173,935	59,016,895
Cash and Bank Balances	11	4,340,118	5,108,630
Short-Term Loans and Advances	12	6,864,095	4,733,873
		108,898,917	98,477,577
Total		115,505,561	105,070,641

Notes to Accounts referred to above form an integral part of financial statements 2 to 21

For MORISON CKS COMPANY LIMITED

For and on behalf of the Board

NETILUCK DENSIRMONGKOL
Certified Public Accountant
(Thailand) No. 5192

Director

Date: 8th April, 2016

Place: Bangkok
Date: 8th April, 2016

STS Gems Thai Limited

Statement of Profit & Loss for the year ended 31st March,2016

Amt in Baht

	<u>Note No.</u>	<u>Year ended 31st March,2016 Amt in Baht</u>	<u>Year ended 31st March, 2015 Amt in Baht</u>
REVENUE			
Revenue From Operations	13	235,892,443	220,667,538
Other Income	15	-605,873	-217,219
Total		235,286,570	220,450,319
EXPENSES			
Purchases of Stock-In-Trade	16	203,386,997	209,462,308
Changes in Stock-In-Trade	18	2,097,410	(17,962,930)
Employee Benefits Expense	19	10,536,252	8,553,304
Finance Costs	20	2,462,111	2,250,664
Depreciation and Amortization Expense		532,089	388,135
Other Expenses	21	7,244,646	9,928,593
Total		226,259,504	212,620,075
Profit Before Exceptional Items and Tax		9,027,066	7,830,243
Exceptional Items (refer Note No. 33)		-	-
Profit Before Tax		9,027,066	7,830,243
Tax Expense:			
(1) Current Tax		1,837,174	1,754,859
(2) Earlier Years Tax		-	-
(3) Deferred Tax Charges/(Credits)		-	-
		1,837,174	1,754,859
Profit for the Year		7,189,892	6,075,385

Notes to Accounts referred to above form an integral part of financial statements

2 to 21

For **MORISON CKS COMPANY LIMITED**

For and on behalf of the Board

NETILUCK DENSIRMONGKOL
Certified Public Accountant
(Thailand) No. 5192

Director

Date: 8th April, 2016

Place: Bangkok
Date: 8th April, 2016

STS Gems Thai Limited

Notes Accompanying to the financial statement for the year ended March 31st, 2016

Amt in Baht

Note No.

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

	As at 31st March, 2016		As at 31st March, 2015	
	Number	Amount	Number	Amount
Share Capital				
Authorised				
Ordinary 350,000 Equity Shares of Baht 100 each		35,000,000		35,000,000
Issued, Subscribed and Paid up				
Ordinary 350,000 Equity Shares of Baht 100 each		35,000,000		35,000,000
		35,000,000		35,000,000

3 Reserves & Surplus

	As at 31st March, 2016		As at 31st March, 2015	
	Amt In Baht	Amt In Baht	Amt In Baht	Amt In Baht
A. 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
B. General Reserve:				
Opening Balance	189,586,562		189,586,561	
Add: Transferred from Profit and Loss Account	-		-	
	189,586,562		189,586,561	
Less: Withdrawn during the year	-	189,586,562	-	189,586,561
C. Surplus/ (Deficit)				
Opening balance	(369,947,921)		(376,023,302)	
Add:	-		-	
Net Profit for the current year	7,189,892		6,075,385	
Surplus/ (Deficit)		(362,758,029)		(369,947,917)
		(25,071,467)		(32,261,356)

NON CURRENT LIABILITIES
4 Long Term Borrowings

	As at 31st March, 2016		As at 31st March, 2015	
	Amt In Baht	Amt In Baht	Amt In Baht	Amt In Baht
Secured:				
Term Loan from Banks				
Corporate Loan #	88,748,648		81,969,568	
Working Capital Term Loan #	-	88,748,648	-	81,969,568
		88,748,648		81,969,568

5 Trade Payables

	As at 31st March, 2016		As at 31st March, 2015	
	Amt In Baht	Amt In Baht	Amt In Baht	Amt In Baht
Trade Payables		13,418,765		12,730,112
		13,418,765		12,730,112

6 Other Current Liabilities

	As at 31st March, 2016		As at 31st March, 2015	
	Amt In Baht	Amt In Baht	Amt In Baht	Amt In Baht
Current Maturity of Long Term Debt:				
-Corporate Loan	-		-	
-Working Capital Term Loan	-		-	
Unclaimed Dividend*		-		-
Employee benefit payables		-		-
Statutory Dues(including PF,TDS etc.)		78,548		67,906
Creditor for Capital goods		-		-
Other Payables#		2,556,064		5,809,553
		2,634,612		5,877,459

7	Short Term Provisions	Amt in Baht		Amt in Baht	
		As at 31st March,2016		As at 31st March, 2015	
		Amt In Baht	Amt In Baht	Amt In Baht	Amt In Baht
	Provision for Taxation		775,003		1,754,859
			775,003		1,754,859
8	LONG TERM LOANS AND ADVANCES (Unsecured and considered good unless otherwise stated)	As at 31st March,2016		As at 31st March, 2015	
		Amt In Baht		Amt In Baht	
	Capital Advances				
	Loans & Advances to subsidiaries				
	Considered good	5,260,635		4,861,110	
	Considered doubtful	-		-	
		5,260,635		4,861,110	
	Less: Provision for Doubtful Debts	-	5,260,635	-	4,861,110
	Security Deposits		23,500		10,000
			5,284,135		4,871,110
	CURRENT ASSETS				
9	INVENTORIES (Cost & Net realizable value whichever is lower) (As taken, valued and certified by the Management)	As at 31st March,2016		As at 31st March, 2015	
		Amt In Baht		Amt In Baht	
	Materials-in-process				
	Semi Finished Goods				
	Finished Goods	27,520,769		29,618,179	
	Stores and Consumables				
		27,520,769		29,618,179	
10	TRADE RECEIVABLES (Unsecured and considered good unless otherwise stated)	As at 31st March,2016		As at 31st March, 2015	
		Amt In Baht		Amt In Baht	
	Outstanding for a period exceeding Six Months from the date they are due for payments				
	Considered good	70,173,935		59,016,895	
	Considered doubtful	-		-	
		70,173,935		59,016,895	
	Less : Provision for Doubtful Debts brought forward	-		-	
	Less : Provison appropriated to Investment	-		-	
			70,173,935		59,016,895
	Others				
	Considered good	-		-	
	Considered doubtful	-		-	
		-		-	
	Less: Provision for Doubtful Debts	-		-	
			70,173,935		59,016,895
11	CASH AND BANK BALANCES	As at 31st March,2016		As at 31st March, 2015	
		Amt In Baht		Amt In Baht	
	Cash & Cash Equivalents				
	Balance with Banks	4,332,509		5,106,243	
	Bank Deposits (Non pledged)				
	Cash on hand	7,609		2,387	
		4,340,118		5,108,630	
	Other Bank Balance				
	Bank Deposits (Pledged)				
	Unpaid Dividend account				
		4,340,118		5,108,630	

		Amt in Baht	
12	SHORT TERM LOANS AND ADVANCES (Unsecured and considered good unless otherwise stated)		
		As at	As at
		31st March,2016	31st March, 2015
		Amt In Baht	Amt In Baht
	Advance To Staff	317,400	287,400
	Advance To Suppliers	-	235,556
	Loan to Directors	-	-
	Prepaid Expenses	-	-
	Balances with Tax Authorities	6,546,695	4,210,917
	Deposits & Warranties	-	-
		6,864,095	4,733,873
13	REVENUE FROM OPERATIONS		
		Year ended	Year ended
		31st March, 2015	31st March, 2015
		Amt In Baht	Amt In Baht
	Sale of Products:		
	Export Sales	234,580,853	220,254,463
	Domestic Sales	1,311,590	413,075
		235,892,443	220,667,538
14	PARTICULARS OF SALE OF PRODUCTS		
		31st March,2016	31st March, 2015
		Amt In Baht	Amt In Baht
	Gem Stones	62,234,307	44,636,665
	Jewellery	171,400,677	170,691,820
	Accessories	945,869	5,339,053
		234,580,853	220,667,538
15	OTHER INCOME		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt In Baht	Amt In Baht
	Interest	263,465	244,636
	Miscellaneous Income	-	-
	Exchange Fluctuation (Net)	(869,337)	(461,855)
		-605,873	-217,219
16	PURCHASES OF STOCK-IN-TRADE		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt In Baht	Amt In Baht
	Purchases of Finished Goods	203,386,997	209,462,308
		203,386,997	209,462,308
17	PARTICULARS OF FINISHED GOODS PURCHASED		
		31st March,2016	31st March, 2015
		Amt In Baht	Amt In Baht
	Jewellery	88,927,751	82,835,398
	Stone	113,609,522	123,058,941
	Accessories	849,724	3,567,970
		203,386,997	209,462,308
18	CHANGES IN STOCK-IN-TRADE Decrease/(Increase) of Stock-in-Trade consists of		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt In Baht	Amt In Baht
	Finished Goods:		
	Opening Stocks	-	-
	Semi Finished Goods	-	-
	Finished Goods	29,618,179	11,655,249
		29,618,179	11,655,249
	Less: Closing Stocks		
	Semi Finished Goods	-	-
	Finished Goods	27,520,769	29,618,179
		27,520,769	29,618,179
		2,097,410	-17,962,930
		2,097,410	(17,962,930)

		Amt in Baht	
19	EMPLOYEES BENEFIT EXPENSE		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt in Baht	Amt in Baht
	Contributions to Provident and Other Funds (Social Insurance)	340,691	286,621
	Salaries, Wages, Bonus etc.	10,082,271	8,148,440
	Staff Welfare Expenses	113,291	118,243
		10,536,252	8,553,304
20	FINANCE COST		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt in Baht	Amt in Baht
	Interest	-	-
	- On Term Loans	-	-
	- On Corporate Loan	2,332,648	2,108,442
	Finance Charges	129,463	142,222
		2,462,111	2,250,664
21	OTHER EXPENSES		
a.	MANUFACTURING EXPENSES		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt in Baht	Amt in Baht
	Job Work Charges	-	-
	Stores and Consumables	-	-
	Power and Fuel	-	-
	Repairs and Maintenance	-	-
	Other Manufacturing Expenses	2,773,034	4,309,608
		2,773,034	4,309,608
b.	ADMINISTRATIVE & SELLING EXPENSES		
		Year ended	Year ended
		31st March,2016	31st March, 2015
		Amt in Baht	Amt in Baht
	Advertisement and Business Promotion	527,255	758,105
	Bad Debts	-	-
	Directors Expense	530,400	530,400
	Discounts	-292	66
	Donation	-	-
	Insurance	68,257	56,908
	Internet Expense	123,460	79,573
	Legal and Professional	207,851	190,363
	Office Expenses	891,285	1,525,769
	Packing and Forwarding	527,405	728,339
	Postage and Telephone	254,929	238,204
	Printing and Stationery	75,474	67,236
	Rent, Rates and Taxes	480,000	388,500
	Repairs & Maintenance	61,703	423,896
	Travelling and Conveyance	519,884	457,127
	Auditors' Remuneration		
	-Statuary Audit Fees	204,000	174,500
	- Reimbursement Of Expenses	-	-
		4,471,612	5,618,986
	Total Other Expenses	7,244,646	9,928,593

For **MORISON CKS COMPANY LIMITED**

For and on behalf of the Board

NETILUCK DENSIRMONGKOL
Certified Public Accountant
(Thailand) No. 5192

Director

Date: 8th April, 2016

Place: Bangkok
Date: 8th April, 2016