StudioC Inc.

Special purpose financial information

Balance Sheet as at March 31, 2024

(All amounts in USD, unless otherwise stated)

Particulars	Note no.	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	1	15,780	21,090
Right-of-use asset	3	83,395	138,992
Intangible assets	2	178,823	230,480
Intangible assets under development	4	105,836	25,800
Other non-current assets	5	15,000	19,000
Total non-current assets		**398,834**	**435,363**
Current assets			
Inventories	6	1,757,810	1,914,070
Financial assets			
i. Cash and cash equivalents	7	98,339	212,366
ii. Other financial assets	8	269,975	57,866
Other current assets	9	189,673	135,443
Total current assets		**2,315,797**	**2,319,744**
Total assets		**2,714,631**	**2,755,107**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	-	-
Other equity	11	(6,033,427)	(3,401,450)
Total equity		**(6,033,427)**	**(3,401,450)**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	12 (i)	5,830,000	2,430,000
ii. Lease liabilities	13	31,066	89,278
Total non-current liabilities		**5,861,066**	**2,519,278**
Current liabilities			
Financial liabilities			
i. Lease liabilities	13	58,213	52,818
ii. Trade payables	14	1,818,616	2,812,108
iii. Other financial liabilities	15	177,049	79,153
Contract liabilities	Note D	230,391	248,657
Provisions	16	528,619	364,337
Other current liabilities	17	74,104	80,206
Total current liabilities		**2,886,992**	**3,637,279**
Total equity and liabilities		**2,714,631**	**2,755,107**

The accompanying notes are an integral part of the special purpose financial information

for and on behalf of the Board of Directors of
StudioC Inc

Neeraj Rawat
Director

Place: New York, USA
Date: 4/22/2024

StudioC Inc.

Special purpose financial information

Statement of loss for the years ended March 31, 2024

(All amounts in USD, unless otherwise stated)

Particulars	Note no.	For the year ended 31st March 2024	For the year ended 31st March 2023
Income			
Revenue from operations	18	7,895,248	6,591,266
Other income	19	9,706	48,293
Total income		**7,904,954**	**6,639,559**
Expenses			
Purchase of stock-in-trade	20	5,095,497	5,682,901
Changes in inventories of stock-in-trade	21	156,260	(1,004,126)
Employee benefits expense	22	26,463	13,640
Finance costs	23	352,477	98,361
Depreciation and amortization expense	24	194,360	109,526
Other expenses	25	4,708,459	4,224,159
Total expenses		**10,533,516**	**9,124,461**
Loss before tax		**(2,628,562)**	**(2,484,901)**
- Current tax		3,415	5,280
Loss after tax		**(2,631,977)**	**(2,490,181)**

The accompanying notes are an integral part of the special purpose financial information

for and on behalf of the Board of Directors of
StudioC Inc.

Neeraj Rawat
Director

Place: New York, USA
Date: 4/22/2024

StudioC Inc.

Special purpose financial information

Statement of changes in equity for the year ended March 31, 2024

(All amounts in USD, unless otherwise stated)

A. Equity share capital

Balance as at the April 01, 2022	Issuance of equity share capital during the year	Balance as at March 31, 2023
-	-	-

Balance as at the April 01, 2023	Issuance of equity share capital during the year	Balance as at March 31, 2024
-	-	-

B. Other Equity

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at April 01, 2022	**150,000**	**(1,061,269)**	**(911,269)**
Loss for the year		(2,490,181)	(2,490,181)
the period			**(3,401,450)**
Balance as at Mar 31, 2023	**150,000**	**(3,551,450)**	**(3,401,450)**

Balance as at April 01, 2023	**150,000**	**(3,551,450)**	**(3,401,450)**
Loss for the year	-	(2,631,977)	(2,631,977)
the period	-	**(2,631,977)**	**(2,631,977)**
Balance as at Mar 31,2024	**150,000**	**(6,183,427)**	**(6,033,427)**

The accompanying notes are an integral part of the special purpose financial information.

for and on behalf of the Board of Directors of
STUDIOC INC.

Neeraj Rawat
Director

Place: New York, USA
Date: 4/22/2024

StudioC Inc.
Special purpose financial information
Statement of cash flow for the year ended March 31, 2024
(All amounts in USD, unless otherwise stated)

Particulars	For the year ended Mar 31,2024	For the year ended Mar 31, 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,628,562)	(2,484,901)
Adjustments for:		
Depreciation and amortisation expenses	194,360	109,526
Finance cost	352,477	98,361
Loss on disposal of property, plant and equipment	-	4,090
Operating loss before working capital changes	**(2,081,725)**	**(2,272,924)**
Change in operating assets and liabilities		
Inventories	156,260	(1,004,130)
Financial assets	(262,340)	(32,433)
Other financial liabilities	(10,587)	(31,621)
Provisions	165,522	20,701
Trade payables	(993,491)	1,313,438
Contract and other liabilities	(24,368)	95,667
Cash used in operating activities before taxes	**(3,050,729)**	**(1,911,301)**
Income taxes paid	(4,655)	(5,280)
Net cash outflows from operating activities (A)	**(3,055,384)**	**(1,916,581)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Net Purchase of property, plant and equipment and intangible assets and intangible assets under development	(161,831)	(158,316)
Net cash used in investing activities (B)	**(161,831)**	**(158,316)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment towards lease liabilities (principal)	(52,817)	(24,695)
Payment towards lease liabilities (Interest)	(7,932)	(5,305)
Proceeds from borrowings - related party	3,400,000	2,130,000
Interest paid	(236,063)	(30,575)
Net cash generated from financing activities (C)	**3,103,188**	**2,069,425**
Net decrease in cash and cash equivalents (A+B+C)	**(114,027)**	**(5,472)**
Cash and cash equivalents at the beginning of the year	**212,366**	**217,838**
Cash and cash equivalents at the end of the year	**98,339**	**212,366**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following:

In current/checking accounts	97,461	212,002
Cash in hand	878	364
Balance as per statement of cash flows	**98,339**	**212,366**

The accompanying notes are an integral part of the special purpose financial information.

for and on behalf of the Board of Directors of
StudioC Inc

Neeraj Rawat
Director

Place: New York, USA
Date: 4/22/2024

StudioC Inc.
Special purpose financial information
Notes to the special purpose financial information
(All amounts in USD, unless otherwise stated)

-

1 Property, plant and equipment

-

Particulars	Gross carrying amount				Accumulated depreciation				Carrying amount (net)
	As at April 1, 2023	Additions	Deletions	As at March 31,2024	As at April 1, 2023	Charge for the year	Deletions	As at March 31,2024	As at March 31,2024
Tangible assets									
Furniture and fittings	1,204	-	-	1,204	146	121	-	266	938
Leasehold improvements	8,502	-	-	8,502	904	2,131	-	3,035	5,467
Computer equipment	2,402	-	-	2,402	1,064	803	-	1,867	535
Office equipment	9,932	-	-	9,932	2,515	1,991	-	4,506	5,426
Jewellery machine	3,944	-	-	3,944	266	264	-	530	3,414
Total (A)	**25,984**	**-**	**-**	**25,984**	**4,895**	**5,310**	**-**	**10,205**	**15,780**

Particulars	Gross carrying amount				Accumulated depreciation				Carrying amount (net)
	As at April 1, 2022	Additions	Deletions	As at March 31,2023	As at April 1, 2022	Charge for the year	Deletions	As at March 31,2023	As at March 31,2023
Tangible assets									
Furniture and fittings	1,380	-	176	1,204	33	120	7	146	1,058
Leasehold improvements	3,300	8,502	3,300	8,502	341	1,324	762	904	7,598
Computer equipment	3,933	-	1,531	2,402	412	801	149	1,064	1,338
Office equipment	9,932	-	-	9,932	529	1,986	-	2,515	7,417
Jewellery machine	575	3,369	-	3,944	16	251	-	266	3,678
Total (A)	**19,120**	**11,871**	**5,007**	**25,984**	**1,331**	**4,482**	**918**	**4,895**	**21,090**

2 Intangible assets

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at April 1, 2023	Additions	Deletions	As at March 31,2024	As at April 1, 2023	Charge for the year	Deletions	As at March 31,2024	As at March 31,2024
Intangible assets									
Website Development costs	154,469	81,795	-	236,264	50,730	57,745	-	108,475	127,789
Computer software	166,647	-	-	166,647	39,906	75,708	-	115,614	51,034
Total	**321,116**	**81,795**	**-**	**402,911**	**90,636**	**133,453**	**-**	**224,089**	**178,823**

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at April 1, 2022	Additions	Deletions	As at March 31,2023	As at April 1, 2022	Charge for the year	Deletions	As at March 31,2023	As at March 31,2023
Intangible assets									
Website Development costs	68,395	86,074	-	154,469	6,034	44,696	-	50,730	103,739
Computer software	64,450	102,197	-	166,647	7,357	32,549	-	39,906	126,741
Total	**132,845**	**188,271**	**-**	**321,116**	**13,391**	**77,245**	**-**	**90,636**	**230,480**

3 Right of Use Assets

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at April 1, 2023	Additions	Deletions	As at March 31,2024	As at April 1, 2023	Charge for the year	Deletions	As at March 31,2024	As at March 31,2024
ROU Asset - Buildings	166,791	-	-	166,791	27,799	55,597	-	83,396	83,395
Total	**166,791**	**-**	**-**	**166,791**	**27,799**	**55,597**	**-**	**83,396**	**83,395**

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at April 1, 2022	Additions	Deletions	As at March 31,2023	As at April 1, 2022	Charge for the year	Deletions	As at March 31,2023	As at March 31,2023
ROU Asset - Buildings	-	166,791	-	166,791	-	27,799	-	27,799	138,992
Total	**-**	**166,791**	**-**	**166,791**	**-**	**27,799**	**-**	**27,799**	**138,992**

4 Intangible assets under development

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at April 1, 2023	Additions	Deletions	As at March 31,2024	As at April 1, 2023	Charge for the year	Deletions	As at March 31,2024	As at March 31,2024
Intangible assets under development	25,800	161,831	81,795	105,836	-	-	-	-	105,836
Total	**25,800**	**161,831**	**81,795**	**105,836**	**-**	**-**	**-**	**-**	**105,836**

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at April 1, 2022	Additions	Deletions	As at March 31,2023	As at April 1, 2022	Charge for the year	Deletions	As at March 31,2023	As at March 31,2023
Intangible assets under development	67,625	25,800	67,625	25,800	-	-	-	-	25,800
Total	**67,625**	**25,800**	**67,625**	**25,800**	**-**	**-**	**-**	**-**	**25,800**

Ageing of intangible assets under development

As at Mar 31,2024

Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	105,836	-	-	-	105,836
Total	**105,836**	**-**	**-**	**-**	**105,836**

As at Mar 31, 2023

Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	25,800	-	-	-	25,800
Total	**25,800**	**-**	**-**	**-**	**25,800**

5 Other non-current assets

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Unsecured, considered good		
Security deposits- rental	15,000	19,000
Total	**15,000**	**19,000**

6 Inventories

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Stock-in-trade	1,829,808	1,936,541
Less: Provision for slow moving inventory	(71,998)	(22,471)
Total	**1,757,810**	**1,914,070**

7 Cash and cash equivalents

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Cash on hand	878	364
Balances with banks		
(i) in current accounts	97,461	212,002
Total	**98,339**	**212,366**

8 Other financial assets

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Receivable from payment gateways	69,729	57,866
Other receivables	200,246	-
Total	**269,975**	**57,866**

9 Other current assets

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Unsecured, considered good		
Prepaid expenses	69,841	87,153
Advance to suppliers	55,554	14,681
Other assets	64,278	33,609
Total	**189,673**	**135,443**

10 Share capital

Particulars	As at March 31,2024		As at March 31,2023	
	No of shares	Amount	No of shares	Amount
Equity share	1,000		1,000	
Total authorized share capital	**1,000**	**-**	**1,000**	**-**
Issued, subscribed and fully paid up equity share capital				
Equity share of $ 1,000 each	150	-	150	-
Total issued share capital	**150**	**-**	**150**	**-**

(i) Reconciliation of Number of Shares

Particulars	As at March 31,2024		As at March 31,2023	
	No of shares	Amount	No of shares	Amount
Opening Balance	**150**		**150**	
Add: Shares issued during the year	-	-	-	-
Closing Balance	**150**	**-**	**150**	**-**

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share.

(iii) Shareholding Pattern

Particulars	As at March 31,2024		As at March 31,2023	
	Percentage	No of shares	Percentage	No of shares
Holding Company - Caratlane Trading Private Limited	100%	150	100%	150

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11 Other equity

Particulars	As at 31st March 2024	As at 31st March 2023
Securities premium	150,000	150,000
(Amounts received on issue of shares in excess of the par value has been classified as securities premium)		
Retained earnings	(6,183,427)	(3,551,450)
(Retained earnings comprise of the Company's current year's loss after tax)		
Total	**(6,033,427)**	**(3,401,450)**

12 (i) Borrowings

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured		
Long-term borrowings from related party*	5,830,000	2,430,000
Less: Current maturities of long-term borrowings	-	-
Total	**5,830,000**	**2,430,000**

** Loan obtained from Parent Company at an interest rate of 8% p.a. The term of loan will be of 5 years from the date of disbursement of each tranche.*

13 Lease liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Lease liabilities - Non Current	31,066	89,278
Lease liabilities - Current	58,213	52,818
Total	**89,279**	**142,096**

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14 Trade payables

Particulars	As at 31st March 2024	As at 31st March 2023
Dues to related party*		
- Creditors for products	1,565,310	2,662,251
- Creditors for services	229,040	42,845
Dues to Others		
- Creditors for products	14,652	4,218
- Creditors for services	9,614	102,794
Total	**1,818,616**	**2,812,108**

*Transactions with Parent Company - Caratlane Trading Private Limited

Ageing of Trade payables

As at Mar 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade and other payables*	1,818,616	-			1,818,616
Total	**1,818,616**	**-**	**-**	**-**	**1,818,616**

*Includes trade payables which is not yet due

As at Mar 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade and other payables*	2,804,122	7,987			2,812,108
Total	**2,804,122**	**7,987**	**-**	**-**	**2,812,108**

*Includes trade payables which is not yet due

15 Other financial liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Capital creditors	-	9,975
Other Payables	177,049	69,178
Total	**177,049**	**79,153**

16 Provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for Tax	1,785	2,405
Provision for expenses	431,604	308,982
Provision for sales return	89,087	47,700
Provision for warranty	6,143	5,251
Total	**528,619**	**364,337**

Movement below is for provision of warranty and sales return during the year:

Particulars	As at 31st March 2024	As at 31st March 2023
Opening balance	52,951	34,655
Reversal / utilisation of provision	(52,951)	(34,655)
Provisions made during the year	95,230	52,951
Provision at the end of the year	**95,230**	**52,951**

17 Other current liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory dues	74,104	79,422
Other Current Liabilities	-	784
Total	**74,104**	**80,206**

18 Revenue from operations

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Sale of products	7,740,700	6,484,618
Other operating revenue	154,548	106,648
Total	**7,895,248**	**6,591,266**

Reconciliation of revenue recognized with contract price:

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Contract price	11,918,065	9,860,873
Adjustments for discounts and sales returns	(4,177,365)	(3,376,253)
Revenue recognized on sale of products	**7,740,700**	**6,484,618**

19 Other income

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Exchange gain	-	2,313
Miscellaneous income	9,706	45,980
Total	**9,706**	**48,293**

20 Purchases of stock-in-trade

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Purchases of stock-in-trade	4,816,368	5,304,384
Direct expenses	279,129	378,517
Total	**5,095,497**	**5,682,901**

21 Changes in inventories of finished products, work-in-progress and stock-in-trade

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Stock-in-trade		
- Closing stock	1,757,810	1,914,070
- Opening stock	1,914,070	909,944
Increase in inventory	**156,260**	**(1,004,126)**

22 Employee benefits expense

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Director's remuneration	13,380	13,640
Salaries, wages and bonus	13,083	-
Total	**26,463**	**13,640**

23 Finance cost

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on borrowings	344,545	93,056
Interest on lease liabilities	7,932	5,305
Total	**352,477**	**98,361**

24 Depreciation and amortization expense

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation of property, plant and equipment (refer note 1)	5,310	4,482
Depreciation of right of use asset (refer note 3)	55,597	27,799
Amortization of intangible assets (refer note 2)	133,453	77,245
Total	**194,360**	**109,526**

25 Other expenses

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Advertising	2,279,960	2,118,854
Commission Charges	263,805	221,759
Rent	4,528	21,852
Freight and forwarding	551,433	641,051
Travelling and conveyance	3,651	329
Professional service charges	576,967	389,322
Bank charges	7,938	8,529
Software expenditure	525,031	413,604
Bad debts written off	1,586	-
Communication expenses	-	1,061
Rates and taxes	1,897	24,788
Repairs and maintenance	436	1,285
Insurance	11,159	10,939
Payments to auditors (Refer note below)	37,306	29,833
Exchange loss	5,234	-
Property, plant and equipment written off	-	4,090
Corporate Expenses	430,026	290,944
Miscellaneous expenses	7,502	45,919
Total	**4,708,459**	**4,224,159**

Payment to auditors

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
For financial audit and review's	37,306	29,833
Total	**37,306**	**29,833**

NOTE A - ORGANIZATION AND NATURE OF OPERATIONS

StudioC Inc. (the "Company") is a corporation incorporated in the State of Delaware, USA. The Company StudioC Inc. was incorporated on 11th February 2021 and commenced its operations from 27th November 2021. The Company's principal place of business is in New York. The Company is involved in trading of jewelleries online under the brand name of 'CaratLane'. It is a wholly owned subsidiary of CaratLane Trading Private Limited, a company incorporated in India.

The special purpose financial information is presented on a comparative basis for the years ended March 31, 2024 and March 31, 2023.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are detailed below:

(i) Basis of Preparation

The special purpose financial information have been prepared in conformity with the Group accounting policies of CaratLane Trading Private Limited ('CaratLane'), which are in accordance with the recognition and measurement principles of Indian Accounting Standard notified under section 133 of the Companies Act 2013 ('the Act') [Companies (Indian Accounting Standards) Amendment Rules, 2022, including subsequent amendments] ('Ind AS') and other accounting principles generally accepted in India. The special purpose financial information has been prepared to facilitate CaratLane in preparation of its consolidated financial statements. The special purpose financial information include the disclosures as required under Ind AS to the extent it facilitates and is applicable for preparation of CaratLane's consolidated financial statements.

Certain reclassifications, regroupings and reworking have been made to the special purpose financial statements of prior year to conform to the classifications used in the current year. These changes had no impact on previously reported net loss or equity

(ii) Basis of measurement

The special purpose financial information has been prepared on an accrual basis under the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange for products and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(iii) Use of estimates, assumptions and judgement

The preparation of this special purpose financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies on the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates, assumptions and judgement are based on management's evaluation of relevant facts and circumstances as on the date of special purpose financial information. The actual result may differ from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized prospectively.

(iv) Going concern and management's plans

The Company is subject to a number of risks similar to those of other entities in the early stage of operations. Principal among these risks is the competition from substitute products and larger companies, reliance on the support of related parties, the risks associated with changes in domestic and international economic or political conditions or regulations. The Company's long-term success is dependent upon its ability to successfully market its products and services, generate revenues, meet its financial obligations, maintain adequate financing, and ultimately attain profitable operations. During the year, the Company has sustained an net operating loss of $2,631,977 and incurred negative cash flows from operations of $3,055,384. Even though these factors cast significant doubt on the Company's ability to continue as a going concern, in view of the continued support from the Parent company (CaratLane trading pvt ltd), the management considers that it is appropriate to prepare these special purpose financial information on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

(v) Functional and presentation currency

Items included in the special purpose financial information of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The special purpose financial information is presented in United States Dollars ("USD" or "$"), which is the Company's functional and presentation currency.

(vi) Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.
Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(vii) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The core principle is that an entity recognizes revenue to depict the transfer of promised products or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those products or services.

To achieve this core principle, the Company has applied the five-step process:
1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to performance obligations in the contract.
5. Recognize revenue when or as the Company satisfies a performance obligation.

The Company is involved in online sale of jewellery through prepaid orders on the Company's website. Revenue is measured based on the transaction price which is determined based on the price available on the website after applying strikethrough, coupon, and exceptional discounts, if any and other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

The Company generally offers a return policy of 30 days and provides for an allowance for sales returns during the period in which the sales are made. Revenue and cost of revenue reported in the statement of loss are reduced to reflect estimated returns.

The Company generally offers product warranty of 1 year and creates a provision for products warranty cost during the period in which the sales are made based on the past experiences.

(viii) Property, plant and equipment

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Advance paid towards acquisition of fixed assets outstanding at each balance sheet date is disclosed as capital advances under non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statements of loss. Capital work-in-progress comprises the cost of assets that are not ready for their intended use at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repairs and maintenance costs are recognized in the statement of loss as incurred.

The Company identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognized in the statement of loss when the property, plant and equipment is derecognized.

Depreciation methods, estimated useful life and residual value

Depreciation is calculated using straight-line method to allocate their cost, net of their estimated residual values, over the useful lives of assets which is as follows:

Asset category	Management estimate of useful life
Furniture and fittings	10 years
Computer equipment	3 years
Office equipment	5 years
Jewellery Machine	15 years
Leasehold improvements	4 years

Depreciation for assets purchased / sold during the year is proportionally charged.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

(ix) Intangible assets

(a)Website development

Expenditure on research activities on website development is recognized in the statement of loss as incurred.
Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in the statements of loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

(b) Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortization in statement of loss.
The estimated useful lives are as follows:

Asset category	Management estimate of useful life
Website Development costs	3 years
Internal Use software	3 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

(x) Impairment

(a) Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit and loss. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as required. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of loss.

(b) Non-financial assets
Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in -use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(xi) Leases
Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a. the contract involves the use of an identified asset;
b. the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
c. the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(xii) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost is determined as follows:

Stock-in-trade is valued at weighted average / cost of purchase.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished products include appropriate proportion of overheads.

Net realizable value represent the estimated selling price for inventories less estimated cost of completion and costs necessary to make the sale.

(xiii) Foreign currency transactions and balances

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of and loss.
Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date. The resultant exchange differences are recognized in the statement of and loss.

Non-monetary assets and liabilities which are carried in terms of historical cost denominated in foreign currency are translated at an exchange rate that approximates the rates prevalent on the date of the transaction.

(xiv) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of loss.

a) Current income tax: Current income tax for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred income tax: Deferred income tax assets and liabilities are recognized using the balance sheet approach. Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred income tax assets are recognized for carry forward of unused tax credits and unused tax losses, to the extent that there is convincing evidence that taxable profit will be available against which the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as an income or expense in the period that includes the enactment or substantive enactment date.
Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity.

(xv) Financial instruments
Recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.
Financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognized immediately in the statement of and loss.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of financial assets.

A) Financial assets

Classification of financial assets:
On initial recognition, a financial asset is classified at
(i) Amortized cost
(ii) Fair value through other comprehensive income (FVOCI)
(iii) Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit and loss

A) financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.
B) Financial liabilities: classification, subsequent measurement and derecognition:

(i) Financial liabilities carried at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial liabilities at fair value through profit and loss

A financial liabilities which is not classified in any of the above categories are subsequently carried at fair value through profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognized in the statement of loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the standalone balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realize the asset and settle the liability simultaneously.

(xvi) Provisions and contingent liabilities

a. General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

b. Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

c. Onerous contracts

Provision for onerous contracts i .e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(xvii) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits with banks and balances with banks. The Company considers all highly liquid investments with an original maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(xviii) Borrowing Cost

Borrowing costs are interest and other costs incurred in connection with borrowing of funds. Borrowing costs attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(xix) Recent pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from ime to time. On March 31, 2023 MCA amended the Companies (Indian Accounting Standards) Amendment rule , 2023 as below:

Balance Sheet:

(a)IND AS 1 - Presentation of FS-This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April1,2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.
(b) IND AS 8- Accounting policies, Changes in Accounting Estimates& Errors- This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
(c) IND AS 12- Income Taxes- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1,2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

NOTE C - INCOME TAXES

(a) Income Tax recognised in profit or loss:

Particulars	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Current Tax:		
In respect of current year	3,415	5,280
Total income tax expense on continuing operations	**3,415**	**5,280**

(b) The reconciliation of estimated income tax expense at corporate federal tax rate of 21% payable by corporate entities in the US on taxable profits under US tax laws to income tax expense reported in statement of comprehensive income(loss) is as follows:

Particulars	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Profit before tax from continuing operations	(2,628,562)	(2,484,901)
Minimum state taxes	3,415	5,280
Income tax expense recognised In profit or loss from continuing operations	**3,415**	**5,280**

(c) Amounts on which deferred tax asset has not been created:

Amounts on which deferred tax asset has not been created:

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Particulars	**As at 31st Mar 2024**	**As at 31st Mar 2023**
Deductible Temporary differences (will never expire)	389,999	143,280
Unused Tax losses (revenue in nature)	5,813,113	3,407,869
Total	**6,203,112**	**3,551,150**

The Company has federal net operating loss carryforwards of $5,813,113 as of March 31, 2024 & $3,406,948 as of March 31, 2023 and can be carried forwarded indefinitely and state net operating loss carryforwards of approximately $4,370,754 as of March 31, 2024 & $3,040,465 as of March, 2023 which if unutilized will expire based on the statutes of various states.

StudioC Inc.
Special purpose financial information
Notes to the special purpose financial information
(All amounts in USD, unless otherwise stated)

NOTE D - REVENUE FROM CONTRACTS WITH CUSTOMERS

Contract Asset/ Liabilities:

Contract Asset/ Liability in the Balance Sheet represents provision for sales return computed as per relevant Ind AS Standards.

Nature	As at March 31, 2024	As at March 31, 2023
Contract liability		
Opening balance	248,657	198,409
Add: Advance from customer during the year	7,876,982	6,641,514
Less: Utlization during the year	7,895,248	6,591,266
Closing balance	**230,391**	**248,657**

NOTE E - RELATED PARTY TRANSACTIONS

(i) Related party disclosures

Nature of Relationship	Name of Related Party
Parent company	Caratlane Trading Private Limited
Common control entity having common director.	Rawat Gems LLC
Key management personnel	Mr. Neeraj Rawat, Director

(ii) Transactions during the year

Name of Related Party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Caratlane Trading Private Limited	Purchase of Products	5,037,091	4,825,474
	Sale of Products	-	6,212
	Loan Availed	3,400,000	2,130,000
	Interest on Loan	344,545	93,056
	Inter Company Corporate Expenses	430,026	290,944
	Reimbursement of expenses	-	-
Neeraj Rawat	Director Remuneration	13,380	13,640

(iii) Balances as on March 31, 2024

Name of Related Party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Caratlane Trading Private Limited	Trade Payables	1,794,350	2,705,096
	Trade Receivable	-	6,212
	Borrowings	5,830,000	2,430,000
	Int on borrowings Payable	176,588	68,106

NOTE F - DISCLOSURE OF RATIOS

Ratio	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Current ratio	0.80	0.64
(b) Debt-equity ratio	(0.97)	(0.74)
(c) Debt service coverage ratio	(5.91)	(23.15)
(d) Return on equity ratio	(0.44)	(0.73)
(e) Inventory turnover ratio	2.86	3.31
(f) Trade payables turnover ratio	2.08	2.30
(g) Net capital turnover ratio	(1.31)	(1.94)
(h) Net profit ratio	(33.34)%	(37.78)%
(i) Return on capital employed	(12.08)	(2.58)

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(All amounts in USD, unless otherwise stated)

Note :

(a) Current ratio = Current asset/Current liabilities

(b) Debt-equity ratio = Total Debt/Total Equity

(c) Debt service coverage ratio = Profit before finance costs, depreciation and amortization and tax ('EBITDA') / (Finance costs + Principal repayments during the year)

(d) Return on equity ratio = Profit after Tax/Total Equity

(e) Inventory turnover ratio = Sum of cost of materials consumed, purchase of stock-in-trade, changes in inventories of finished products, work-in-progress and stock-in-trade ('Cost of products sold') / Average inventory

(f) Trade payables turnover ratio = Net Credit Purchases / Average Accounts Payable

(g) Net capital turnover ratio = Sales/Net Assets

(h) Net profit ratio = Net profit after Tax/Revenue from Operations

(i) Return on capital employed = Profit before finance costs, depreciation and amortization/Capital Employed

(j) Capital Employed = Total Assets - Current Liabilities

NOTE G - COMMITMENTS & CONTIGENCIES

The Company is a party to claims that arise in the normal course of business. Management of the company believes that the ultimate outcome of these claims will not have a material effect on the financial statements.

Party Name	Nature	Current year	Previous Year	Period of Contract
Star Design Concepts	Lease Rental	$ 93,788	$ 154,538	3 year period ending 30th September, 2025

NOTE H - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date this special purpose financial information was available to be issued.
Based on the evaluation the company is not aware of any events or transactions that would require the recognition or disclosure in the special purpose financial information.

for and on behalf of the Board of Directors of
StudioC Inc

Neeraj Rawat
Director

Place: New York, USA
Date:
4/22/2024