

StudioC Inc.

Special purpose financial information

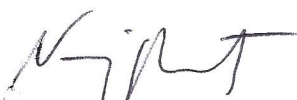
Balance Sheet as at March 31, 2023 and March 31, 2022

(All amounts in USD, unless otherwise stated)

Particulars	Note no.	As at	
		March 31, 2023	March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	1	21,090	17,790
Right-of-use asset	3	138,992	-
Intangible assets	2	230,480	119,453
Intangible assets under development	4	25,800	67,625
Other non-current assets	5	19,000	2,590
Total non-current assets		435,362	207,458
Current assets			
Inventories	6	1,914,070	909,944
Financial assets			
i. Cash and cash equivalents	7	212,366	217,838
ii. Other financial assets	8	57,866	45,641
Other current assets	9	135,443	131,645
Total current assets		2,319,745	1,305,069
Total assets		2,755,106	1,512,527
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	-	-
Other equity	11	(3,401,450)	(911,269)
Total equity		(3,401,450)	(911,269)
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	12 (i)	2,430,000	300,000
ii. Lease liabilities	12 (ii)	89,278	-
iii. Other financial liabilities		-	-
Total non-current liabilities		2,519,278	300,000
Current liabilities			
Financial liabilities			
i. Lease liabilities	13 (i)	52,818	-
ii. Trade payables	14	3,121,089	1,807,651
iii. Other financial liabilities	15	79,153	48,293
Contract liabilities	Note D	248,657	198,409
Provisions	16	55,356	34,655
Other current liabilities	17	80,206	34,787
Total current liabilities		3,637,279	2,123,795
Total equity and liabilities		2,755,107	1,512,526

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: April 21, 2023

StudioC Inc.

Special purpose financial information


Statement of loss for the years ended March 31, 2023 and March 31, 2022

(All amounts in USD, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	18	6,591,266	1,165,134
Other income	19	48,293	842
Total income		6,639,559	1,165,976
Expenses			
Purchase of stock-in-trade	20	5,682,901	1,730,898
Changes in inventories of stock-in-trade	21	(1,004,126)	(909,944)
Employee benefits expense	22	13,640	15,547
Finance costs	23	106,890	7,605
Depreciation and amortization expense	24	109,525	14,722
Other expenses	25	4,215,630	1,366,792
Total expenses		9,124,460	2,225,620
Profit (loss) before tax		(2,484,900)	(1,059,644)
Tax expense			
- Current tax		5,280	1,625
Profit (loss) after tax		(2,490,180)	(1,061,269)
Total other comprehensive profit (loss) (Net of Tax)		(2,490,180)	(1,061,269)

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



Neeraj Rawat
Director

Place: New York, USA

Date: April 21, 2023

StudioC Inc.

Special purpose financial information

Statement of changes in Equity for the years ended March 31, 2023 and March 31, 2022

(All amounts in USD, unless otherwise stated)

A. Equity share capital

Previous Reporting Period

Balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
-	-	-

Current Reporting Period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-

B. Other Equity

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at April 01, 2021			-
Issuance of common stock	150,000		150,000
Loss for the year		(1,061,269)	(1,061,269)
Balance as at March 31, 2022	150,000	(1,061,269)	(911,269)
Issuance of common stock	-	-	-
Loss for the year	-	(2,490,180)	(2,490,180)
Balance as at March 31, 2023	150,000	(3,551,450)	(3,401,450)

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: April 21, 2023

StudioC Inc.
Special purpose financial information
Statement of cash flows for the year ended March 31, 2023 and year ended March 31, 2022
(All amounts in USD, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,484,900)	(1,059,644)
<i>Adjustments for:</i>		
Depreciation and amortisation expenses	109,525	14,722
Finance cost	106,890	7,605
Loss on disposal of property, plant and equipment	4,090	-
Operating loss before working capital changes	(2,264,395)	(1,037,317)
Change in operating assets and liabilities		
Inventories	(1,004,130)	(909,944)
Financial assets	(12,225)	(45,641)
Financial and other assets	(20,208)	(134,235)
Other financial liabilities	(40,150)	40,688
Provisions	20,701	34,655
Trade payables	1,313,438	1,807,651
Contract liabilities	50,248	198,409
Other liabilities	45,419	34,787
Cash used in operating activities before taxes	(1,911,301)	(10,947)
Income taxes paid	(5,280)	(1,625)
Net cash outflow from operating activities (A)	(1,916,581)	(12,572)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Net Purchase of property, plant and equipment and intangible assets and intangible assets under development	(158,314)	(219,590)
Net cash used in investing activities (B)	(158,314)	(219,590)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment towards lease liabilities (principal)	(24,695)	-
Payment towards lease liabilities (Interest)	(5,305)	-
Proceeds from issuance of equity share capital	-	150,000
Proceeds from borrowings - related party	2,130,000	300,000
Interest paid	(30,575)	-
Net cash generated from financing activities (C)	2,069,425	450,000
Net increase (decrease) in cash and cash equivalents (A+B+C)	(5,471)	217,837
Cash and cash equivalents at the beginning of the year	217,838	-
Cash and cash equivalents at the end of the year	212,367	217,837

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

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

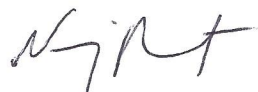
In current/checking accounts	212,002	214,524
Cash in hand	364	3,314
Balance as per statement of cash flows	212,366	217,838

Non cash activities

Acquisition of right to use asset	166,791	-
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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: April 21, 2023

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, 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

Particulars	Gross carrying amount			Accumulated depreciation				Carrying amount (net)	
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at April 1, 2021	Charge for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Tangible assets									
Furniture and fittings	-	1,380	-	1,380	-	33	-	33	1,347
Leasehold improvements	-	3,300	-	3,300	-	341	-	341	2,959
Computer equipment	-	3,933	-	3,933	-	412	-	412	3,521
Mock jewellery	-	-	-	-	-	-	-	-	-
Office equipment	-	9,932	-	9,932	-	529	-	529	9,404
Jewellery machine	-	575	-	575	-	16	-	16	559
Total (A)	-	19,121	-	19,121	-	1,331	-	1,331	17,790

2 Intangible assets

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

Particulars	Gross carrying amount			Accumulated amortization				Carrying amount (net)	
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at April 1, 2021	Charge for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Intangible assets									
Website Development costs	-	68,395	-	68,395	-	6,034	-	6,034	62,361
Internal Use software	-	64,450	-	64,450	-	7,357	-	7,357	57,093
Total	-	132,845	-	132,845	-	13,391	-	13,391	119,454

3 Right of Use Assets

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	-	27,798	-	27,798	138,992
Total	-	166,791	-	166,791	-	27,798	-	27,798	138,992

Particulars	Gross carrying amount			Accumulated amortization				Carrying amount (net)	
	As at April 1, 2021	Additions	Deletions	As at 31st Mar 2022	As at April 1, 2021	Charge for the year	Deletions	As at March 31, 2022	As at March 31, 2022
ROU Asset - Buildings	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

4 Intangible assets under development

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

Particulars	Gross carrying amount			Accumulated amortization				Carrying amount (net)	
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at 1 April, 2021	Charge for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Intangible assets under development	-	67,625	-	67,625	-	-	-	-	67,625
Total	-	67,625	-	67,625	-	-	-	-	67,625

Ageing of intangible assets under development

Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
(a) Projects in progress	25,800	-	-	-	25,800
Total	25,800	-	-	-	25,800

Particulars	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
(a) Projects in progress	67,625	-	-	-	67,625
Total	67,625	-	-	-	67,625

StudioC Inc.**Special purpose financial information****Notes to the special purpose financial information***(All amounts in USD, unless otherwise stated)***5 Other non-current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
<i>Unsecured, considered good</i>		
Capital advances	19,000	2,590
Total	19,000	2,590

6 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Stock-in-trade	1,914,070	909,944
Total	1,914,070	909,944

7 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	364	3,314
Balances with banks (i) in current accounts	212,002	214,524
Total	212,366	217,838

8 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable from payment gateways	57,866	44,812
Other receivables	-	829
Total	57,866	45,641

9 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
<i>Unsecured, considered good</i>		
Prepaid expenses	87,153	56,188
Advance to suppliers	14,681	50,000
Other assets	33,609	25,457
Total	135,443	131,645

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(All amounts in USD, unless otherwise stated)

10 Share capital

Particulars	As at March 31,2023		As at March 31,2022	
	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 31,2023		As at March 31,2022	
	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 31,2023		As at March 31,2022	
	Percentage	No of shares	Percentage	No of shares
Holding Company - Caratlane Trading Private Limited	100%	150	100%	150

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StudioC Inc.**Special purpose financial information****Notes to the special purpose financial information***(All amounts in USD, unless otherwise stated)***11 Other equity**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Securities premium <i>(Amounts received on issue of shares in excess of the par value has been classified as securities premium)</i>	150,000	150,000
Retained earnings <i>(Retained earnings comprise of the Company's current year's loss after tax)</i>	(3,551,450)	(1,061,269)
Foreign Currency Translation Reserve <i>(Exchange Differences)</i>		
Total	(3,401,450)	(911,269)

12 (i) Borrowings

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<i>Unsecured</i>		
Long-term borrowings from related party* <i>* Loan obtained from Caratlane Trading Private Limited at an interest rate of 8% p.a. The term of loan will be mutually agreed however, will not be less than 2 years.</i>	2,430,000	300,000

12 (ii) Lease liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Lease liabilities - Non Current	89,278	-
Total	89,278	-

13 (i) Lease liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Lease liabilities - Current	52,818	-
Total	52,818	-

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(All amounts in USD, unless otherwise stated)

14 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Dues to related party*		
- Creditors for goods	2,662,251	1,205,181
- Creditors for services	42,845	106,312
Dues to Others		
- Creditors for goods	4,218	139,359
- Creditors for services	411,775	356,799
Total	3,121,089	1,807,651

*Transactions with Parent Company - Caratlane Trading Private Limited

Ageing of Trade payables

As at March 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*	3,113,102	7,987			3,121,089
Total	3,113,102	7,987	-	-	3,121,089

*Includes trade payables which is not yet due

As at March 31, 2022

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*	1,807,651	-			1,807,651
Total	1,807,651	-	-	-	1,807,651

*Includes trade payables which is not yet due

StudioC Inc.**Special purpose financial information****Notes to the special purpose financial information***(All amounts in USD, unless otherwise stated)***15 Other financial liabilities**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Capital creditors	9,975	42,668
Other Payables	69,178	5,625
Total	79,153	48,293

16 Provisions

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Provision for Tax	2,405	-
Provision for sales return	47,700	33,698
Provision for warranty	5,251	957
Total	55,356	34,655

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

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening balance	34,655	-
Provisions made during the year	18,296	34,655
Provision at the end of the year	52,951	34,655

17 Other current liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Statutory dues	79,422	34,787
Other Current Liabilities	784	-
Total	80,206	34,787

StudioC Inc.**Special purpose financial information****Notes to the special purpose financial information***(All amounts in USD, unless otherwise stated)***18 Revenue from operations**

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Sale of products	6,484,618	1,162,734
Other operating revenue	106,648	2,400
Total	6,591,266	1,165,134

Reconciliation of revenue recognized with contract price:

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Contract price	9,860,873	1,629,619
Adjustments for refund liabilities and discounts	(3,376,255)	(466,885)
Revenue recognized on sale of products.	6,484,618	1,162,734

19 Other income

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Exchange gain	2,313	-
Miscellaneous income	45,980	842
Total	48,293	842

20 Purchases of stock-in-trade

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Purchases of stock-in-trade	5,304,384	1,633,835
Direct expenses	378,517	97,063
Total	5,682,901	1,730,898

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

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Stock-in-trade		
- Closing stock	1,914,070	909,944
- Opening stock	909,944	-
Increase in inventory	(1,004,126)	(909,944)

22 Employee benefits expense

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Director's remuneration	13,640	15,547
Total	13,640	15,547

StudioC Inc.**Special purpose financial information****Notes to the special purpose financial information***(All amounts in USD, unless otherwise stated)***23 Finance cost**

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Interest on borrowings	93,056	5,625
Bank charges	8,529	1,980
Interest on lease liabilities	5,305	-
Total	106,890	7,605

24 Depreciation and amortization expense

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment (refer note 1)	4,482	1,331
Depreciation of right of use asset (refer note 3)	27,798	-
Amortization of intangible assets (refer note 2)	77,245	13,391
Total	109,525	14,722

25 Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Advertising	2,118,854	693,764
Commission Charges	221,759	44,930
Rent	21,852	15,986
Freight and forwarding	641,051	167,063
Travelling and conveyance	329	-
Professional service charges	389,322	189,570
Software expenditure	413,604	114,915
Communication expenses	1,061	986
Rates and taxes	24,788	14,352
Repairs and maintenance	1,285	487
Insurance	10,939	5,567
Payments to auditors (Refer note below)	29,833	10,500
Property, plant and equipment written off	4,090	-
Corporate Expenses	290,944	103,911
Miscellaneous expenses	45,919	4,761
Total	4,215,630	1,366,792

Payment to auditors

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
For statutory audit	29,833	10,500
Total	29,833	10,500

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

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 jewellery 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, 2023 and March 31, 2022.

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 period 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 goods 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 operating loss of \$2,490,181 and incurred negative cash flows from operations of \$1,916,583. 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.

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(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 goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

The core principle is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods 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 15 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.

(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.

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

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) Internally generated : Research and development

Expenditure on research activities 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.

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(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.

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(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 goods 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.

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

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.

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

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

On March 23, 2022, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2022. Key amendments relating to Division II which relate to companies whose financial statements are complied with Companies (Indian Accounting Standards) Rules 2022 are:

Balance Sheet:

- (a) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- (b) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- (c) Specified format for disclosure of shareholding of promoters
- (d) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- (e) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- (f) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

StudioC Inc.**Special purpose financial information****Notes to the special purpose financial information***(All amounts in USD, unless otherwise stated)***NOTE C - INCOME TAXES****(a) Income Tax recognised in profit or loss:**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current Tax:		
In respect of current year	5,280	1,625
Total income tax expense on continuing operations	5,280	1,625

(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 2023	Year ended 31 March 2022
Profit before tax from continuing operations	(2,484,901)	(1,059,644)
Minimum state taxes	5,280	1,625
Income tax expense recognised in profit or loss from continuing	5,280	1,625

(c) Amounts on which deferred tax asset has not**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 2023	As at 31st Mar 2022
Deductible Temporary differences (will never expire)	143,280	54,211
Unused Tax losses (revenue in nature)	3,407,869	2,014,116
Total	3,551,150	2,068,327

The Company has federal NOLs of \$2,400,518 as at March 31, 2023 (March 31, 2022 - \$1,007,058). Such NOLs being generated after 2018-19 will be carried forward indefinitely.

The Company has state net operating loss carryforwards of approximately \$3,407,869 as at March 31, 2023 which if unutilized will expire based on the statutes of various states. The Company has state net operating loss carryforwards of approximately \$ 823,419 as at March 31, 2022 which if unutilized will expire based on the statutes of various states. For March 31, 2023 company has not calculated the available state net operating loss.

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, 2023	As at March 31, 2022
Contract liability		
Opening balance	198,409	-
Add: Advance from Customers	50,248	198,409
Closing balance	248,657	198,409

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(All amounts in USD, unless otherwise stated)

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	Current Year	Previous Year
Caratlane Trading Private Limited	Purchase of Goods	4,825,474	1,366,586
	Sale of Goods	6,212	-
	Loan Availed	2,130,000	300,000
	Interest on Loan	93,056	5,625
	Inter Company Corporate Expenses	290,944	103,911
	Reimbursement of expenses	-	2,420
Neeraj Rawat	Director Remuneration	13,640	15,546

(iii) Balances as on March 31, 2023

Name of Related Party	Nature of Transaction	Current Year	Previous Year
Caratlane Trading Private Limited	Trade Payables	2,705,096	1,311,493
	Trade Receivable	6,212	-
	Loan	2,430,000	300,000
	Int on Loan Payable	68,106	5,625

NOTE F - DISCLOSURE OF RATIOS

Ratio	Current year	Previous Year
(a) Current ratio	0.64	0.61
(b) Debt-equity ratio	(0.74)	(0.33)
(c) Debt service coverage ratio	(21.22)	(136.39)
(d) Return on equity ratio	0.73	1.16
(e) Inventory turnover ratio	3.31	0.90
(f) Trade payables turnover ratio	2.15	0.90
(g) Net capital turnover ratio	(1.94)	(1.28)
(h) Net profit ratio	-37.78%	-91.09%
(i) Return on capital employed	2.57	1.70

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 goods, work-in-progress and stock-in-trade ('Cost of goods 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

StudioC Inc.

Special purpose financial information

Notes to the special purpose financial information

(All amounts in USD, unless otherwise stated)

NOTE G - COMMITMENTS & CONTIGENCIES

Party Name	Nature	Current year	Previous Year	Period of Contract
SW Public Relations, LLC	Digital marketing	-	\$ 25,000	4 months from February 11th, 2021
J.Zupnik & Co. LLC	Lease Rental*	-	\$ 10,000	12 month period ending 31st Aug 2022
Star Design Concepts	Lease Rental	\$ 154,538	-	3 year period ending 30th September, 2025

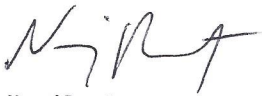
As per the company's policy, since the lease term is for a period of twelve months only, the company has elected to take the short term exemption for recognition of leases as per Ind AS 116.

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: April 21, 2023