

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. CONTINENTAL COFFEE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. CONTINENTAL COFFEE PRIVATE LIMITED** (*"the Company"*) which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements

from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) in the case of the Profit and Loss Account, of the Loss for the period ended on that date; and
- (c) in the case of the cash flow statement of the Company as at **March 31, 2017**

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Companies Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the Fixed Assets have been physically verified by the management in a Periodical manner, which in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
- 2) As explained to us the physical verification of inventory has been conducted at the year-end by the management. The discrepancies noticed on verification between the physical stocks and book records were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order is not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanation given to us, the company has not granted any loan, or made investment or provided any security, hence the compliance with the provisions of section 185 / 186 of the Act does not arise.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised any money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and according to the information and explanations given by the management, no fraud by the Company or on the company by its officers or employees was noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, there is no managerial remuneration has been paid or provided.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order is not applicable to the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company.



**“Annexure B” to the Independent Auditor’s Report of even date on the
Financial Statements of M/s. CONTINENTAL COFFEE PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3
of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of M/s. CONTINENTAL COFFEE PRIVATE LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our Responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017 based on "the internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For and on behalf of
For S V P and Co.,
Chartered Accountants
Firm Reg. No. 014048S**


**(R. Srinivasu)
Partner
M. No. 224033**



**Place: Hyderabad
Date: 10-05-2017.**

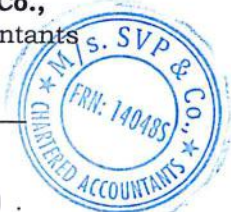
M/s CONTINENTAL COFFEE PRIVATE LIMITED
7-1-24/2/D, GREENDALE, AMEERPET, HYDERABAD - 500016
Balance sheet as at 31st March, 2017

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
1	2	3	4
I EQUITY AND LIABILITIES			
1 Shareholder's funds:			
a) Share Capital	1	30,000,000	600,000
b) Reserves and Surplus	2	(37,338,450)	(235,003)
2 Share application money pending for allotment			-
3 Non - current liabilities:			
a) Long - term borrowings			-
b) Deferred tax liabilities (Net)			-
c) Other Long - term liabilities			-
d) Long - term provisions			-
4 Current liabilities			
a) Short - term borrowings	3	-	36,779
b) Trade payables	4	18,209,150	2,132,845
c) Other current liabilities	5	659,638	59,984
d) Short - term provisions	6	285,786	144,000
Total		11,816,124	2,738,605
II ASSETS			
1 Non - current assets:			
a) Fixed assets			
(i) Tangible assets	7	407,167	
(ii) Intangible assets		8,000	8,000
2 Current assets:			
a) Current investments	8	1,132,688	959,891
b) Inventories	9	5,700,126	356,329
c) Trade receivables	10	4,291,143	1,414,385
d) Cash and cash equivalents	11	277,000	-
e) Short-term loans and advances	12		-
f) Other current assets			
Total		11,816,124	2,738,605
Significant accounting policies	19		

The notes form an integral part of these financial statements.

As per our Report of even date

For M/s.SVP & Co.,
Chartered Accountants



(CA R.Srinivasu)
Partner
M No. 224033
FRN : 014048S

For and on behalf of the Board of Directors
M/s.CONTINENTAL COFFEE PRIVATE LIMITED

C. Raghavendra

Director

C. Srinivas

Director

Place: Hyderabad
Date : 10-05-2017

M/s CONTINENTAL COFFEE PRIVATE LIMITED
7-1-24/2/D, GREENDALE, AMEERPET, HYDERABAD - 500016
Profit and loss statement for the year ended 31.03.2017

Particulars	Note No.	For the year ended 31-03-2017	For the year ended 31-03-2016
I. Revenue from operations	13	27,657,770	1,240,968
II. Other income	14	163	564
III. Total Revenue (I + II)		27,657,933	1,241,531
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	15	25,960,410	2,132,848
Other Manufacturing Expenses		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	16	-172,797	-959,891
Employee benefits expense	17	7,952,144	30,000
Finance costs		-	-
Depreciation and amortization expense	7	107,148	-
Other expenses	18	30,914,474	273,577
		64,761,379	1,476,534
Profit before exceptional and extraordinary items and tax (III-IV)		-37,103,446	-235,003
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		-37,103,446	-235,003
VIII. Extraordinary Items			
IX. Profit before tax (VII- VIII)		-37,103,446	-235,003
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit (Loss) for the period from continuing operations (VII-VIII)		-37,103,446	-235,003
XII Profit/(loss) from discontinuing operations			
XIII Tax expense of discontinuing operations			
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		-37,103,446	-235,003
XVI Earnings per equity share:			
(1) Basic		(12.37)	(3.92)
(2) Diluted		-	-
Notes forming part of the financial statements	1 to 19		

This is the Profit & Loss account referred to in our report of even date.

For M/s.SVP & Co.,
Chartered Accountants

(CA R.Srinivasu)
Partner
M.No. 224033
FRN: 014048S

Place: Hyderabad
Date : 10-05-2017

For and on behalf of Board of Directors
M/s.CONTINENTAL COFFEE PRIVATE LIMITED

Director

Director


M/s CONTINENTAL COFFEE PRIVATE LIMITED
Cash flow statement for the period ended 31st March 2017

Particulars	As at 31.03.2017	As at 31.03.2016
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	(37,103,446)	(235,003)
Adjusted for :		
Interest debited to P&L A/c	-	-
Depreciation	107,148	-
Operating profits before working capital changes	(36,996,298)	(235,003)
Changes in current assets and liabilities		
Inventories	(172,797)	(959,891)
Sundry debtors	(5,343,797)	(356,329)
Other Current Assets	(277,000)	106,608
Current liabilities	16,780,965	2,348,736
Cash generated from operations	(26,008,926)	904,120
Income tax paid	-	-
Net cash generated from operating activities	(26,008,926)	904,120
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets and change in capital wip	(514,315)	(8,000)
Sale of Fixed Assets	-	-
Long Term Loans and advances	-	-
Net cash used in investing activities	(514,315)	(8,000)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Secured and Unsecured Loans	-	-
Interest paid	-	-
Increase in share Capital	29,400,000	-
Net cash generated in financing activities	29,400,000	-
D. Net increase / (decrease) in cash and cash equivalents	2,876,759	896,120
E. Cash and cash equivalents at the beginning of the year	1,414,384	518,264
F. Cash and cash equivalents at the end of the year	4,291,143	1,414,384

As per our report of even date

M/s.S V P & Co.,
Chartered Accountants


FRN:014048S

R. 
R.Srinivasu
Partner
M.No:224033



For and on behalf of the Board
M/s CONTINENTAL COFFEE
PRIVATE LIMITED


Director


Director

Place : Hyderabad
Date : 10-05-2017

CONTINENTAL COFFEE PRIVATE LIMITED
7-1-24/2/D, GREENDALE, AMEERPET, HYDERABAD - 500016
Notes forming Part of Financial Statements as at 31st March, 2017

Note: 1

Share Capital	As at 31.03.2017	As at 31.03.2016
Authorised share capital		
50,00,000 (Previous year: 10,00,000) Equity shares of Rs. 10/- each.	50,000,000	10,000,000
Issued, subscribed and fully paid up capital:		
29,40,000 (Previous year: 60,000) equity shares of Rs. 10/- each fully paid up.	30,000,000	600,000
Total	30,000,000	600,000

Note No. 1(A)

Reconciliation of number of shares	As at 31.03.2017	As at 31.03.2016
Equity shares:		
Shares outstanding at the beginning of the year	60,000	60,000
Add: Shares issued during the year	2,940,000	-
Ded: Shares bought back during the year	-	-
Balance outstanding at the end of the year	3,000,000	60,000

Terms/rights attached to equity shares

The company has only one class of equity share having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

Note : 1(B)

Details of share held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the share holder	As at 31 st March,2017		As at 31 st March,2016	
	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
CCL Products (India) Limited	2,999,999	100.000%	59,999	99.998%
Total	2,999,999	100.000%	59,999	99.998%

CONTINENTAL COFFEE PRIVATE LIMITED
7-1-24/2/D, GREENDALE, AMEERPET, HYDERABAD - 500016
Notes forming Part of Financial Statements as at 31st March, 2017

NOTE 2

Reserves & Surplus	As at 31.03.2017 Rs	As at 31.03.2016 Rs
a. General Reserve		
Opening Balance	(235,003)	-
(+) Current Year Transfer	(37,103,446)	(235,003)
(-) Written Back in Current Year		
Closing Balance	(37,338,450)	(235,003)
b. Surplus		
Opening balance	-	-
(+) Net Profit/(Net Loss) For the current year	-	-
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
(-/+) Adjustments	-	-
Closing Balance	-	-
Total	(37,338,450)	(235,003)

Note : 3

Short term Borrowings	As at 31.03.2017	As at 31.03.2016
From Others	-	36,779
Total	-	36,779

Note : 4

Trade Payables	As at 31.03.2017	As at 31.03.2016
Sundry Creditors	18,209,150	2,132,845
Total	18,209,150	2,132,845

Note: 5

Other Current Liabilities	As at 31.03.2017	As at 31.03.2016
Audit Fee Payable	98,876	32,472
ROC Filing Charges Payable	-	2,400
Duties and Taxes payable	449,148	25,112
Advance from Customers	111,615	
Total	659,638	59,984

CONTINENTAL COFFEE PRIVATE LIMITED
7-1-24/2/D, GREENDALE, AMEERPET, HYDERABAD - 500016
Notes forming Part of Financial Statements as at 31st March, 2017

Note : 6

Short-term Provisions	As at 31.03.2017	As at 31.03.2016
Salaries payable	77,068	
Rent Payable	117,961	144,000
Sales Commission Payable	23,000	
Other Payables	67,757	
Total	285,786	144,000

Note : 8

Inventories	As at 31.03.2017	As at 31.03.2016
Closing Stock	1,132,688	959,891
Total	1,132,688	959,891

Note : 9

Trade Receivables	As at 31.03.2017	As at 31.03.2016
Sundry Debtors		
Below 180 Days	5,700,126	356,329
Above 180 Days	-	-
Total	5,700,126	356,329

Note No. 10

Cash and Cash Equivalents	As at 31.03.2017	As at 31.03.2016
Cash in Hand	12,252	319,240
Balance with Bank	4,278,891	1,095,144
Total	4,291,143	1,414,384

Note No. 11

Short Term Loans and Advances	As at 31.03.2017	As at 31.03.2016
Security Deposits	247,000	-
Other Short term Advances	20,000	-
Loans and advances from related parties		
Salary Advances	10,000	
Total	277,000	-

Note No. 12

Other Current Assets	As at 31.03.2017	As at 31.03.2016
Pre-operative Expenses:		
Audit Fees	-	-
Roc Filing Charges	-	-
Secretarial Fees	-	-
Registration & Renewal	-	-
Professional Tax	-	-
Total	-	-

Note :7 FIXED ASSETS

S No	Block of Assets / Asset Group	Rate	Gross Block				Depreciation				Net Block	
			As on 1/4/2016	Additions Made During The Year	Sale/Adj.	As On 31/03/2017	As on 1/4/2016	For the Year	Residual Value Adjustment	As On 31/03/2017	31/03/2017	31/03/2016
1	Tangible assets ELECTRICAL INSTALLATIONS FURNITURE AND FIXTURES OFFICE EQUIPMENTS Grand Total	25.89%	-	27,000	-	27,000	-	2,720	-	2,720	24,280	-
		25.89%	-	68,243	-	68,243	-	8,016	-	8,016	60,227	-
		45.07%	-	419,072	-	419,072	-	96,412	-	96,412	322,660	-
			-	514,315	-	514,315	-	107,148	-	107,148	407,167	-
2	Intangible assets Trade marks Goodwill Grand total	0.00%	8,000	-	-	8,000	-	-	-	-	8,000	8,000
		0.00%										
			8,000	-	-	8,000	-	-	-	-	8,000	8,000
Grand Total			8,000	514,315	-	522,315	-	107,148	-	107,148	415,167	8,000

CONTINENTAL COFFEE PRIVATE LIMITED
7-1-24/2/D, GREENDALE, AMEERPET, HYDERABAD - 500016
Notes forming Part of Financial Statements as at 31st March, 2016.

Note 13

Revenue From Operations

Particulars	As on 31.03.2017	As on 31.03.2016
	Rs	Rs
Sale of Goods	27,657,770	1,240,968
Other operating revenues	-	-
Total	27,657,770	1,240,968

Note 14

Other Income

Particulars	As on 31.03.2017	As on 31.03.2016
	Rs	Rs
Other Income	163	564
Total	163	564

Note 15

Particulars	As on 31.03.2017	As on 31.03.2016
	Rs	Rs
Purchases	25,960,410	2,132,848
Total	25,960,410	2,132,848

NOTE 16

Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	As on 31.03.2017	As on 31.03.2016
	Rs.	Rs.
OPENING STOCKS		
- Finished Goods	959,891	-
	959,891	-
CLOSING STOCKS		
- Finished Goods	1,132,688	959,891
Sub-Total	1,132,688	959,891
Increase/(Decrease) in stocks	(172,797)	(959,891)

Note : 17

Employee Cost	As on 31.03.2017	As on 31.03.2016
	Rs	Rs
A) Salaries and Incentives	7,141,773	30,000
B) Contribution to Other Funds	624,027	-
C) Bonus to Employees		-
D) Gratuity to Employees		-
E) ESOP Scheme		-
F) Staff welfare Expenses	186,344	-
Total	7,952,144	30,000

Note :18

Other expenses	As on 31.03.2017	As on 31.03.2016
	Rs	Rs
Bank Charges	6,484	113
Preliminary Exp Writtenoff	-	106,608
Brand Promotion Expenses	6,282,611	
BTL Activities	17,466,650	
Bussiness Promotion Expenses	1,396,238	
Office Expenses	31,962	
Professional Charges	324,779	
Interest on TDS	170	
Rates and Taxes	138,357	
ROC Filing Expenses-Share Capital Allotment	360,000	
Transportation Expenses	223,469	
Travelling & Conveyance Expenses	2,151,463	
Advertising Expenses	1,016,428	
Sales Commission	722,487	
Rent	250,493	144,000
Other expenses	442,882	12,856
Total	30,814,474	263,577

Audit fees	As on 31.03.2017	As on 31.03.2016
	RS	RS
Payments to the auditor as	100,000	10,000
a. auditor.		
b. for taxation matters,	-	-
c. for company law matters,	-	-
d. for management services,	-	-
e. for other services,	-	-
f. for reimbursement of expenses;	-	-
Total	100,000	10,000
Total	30,914,474	273,577

NOTE 19

M/s CONTINENTAL COFFEE PRIVATE LIMITED I -SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

➤ Income from operations

The company follows mercantile system of accounting and recognizes the income on accrual basis.

d. Fixed Assets and Depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is provided on written down value method at the rates specified in Schedule II of the Companies Act, 2013

e. Foreign Currency Transactions

➤ **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

➤ **Conversion**

Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

During the Financial year 2015-16 there are no Foreign exchange inward and outward.

f. Preliminary Expenditure:

Preliminary Expenses are amortized during the first financial year.

g. Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

h. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

i. Cash & Bank balances

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

j. Provisions

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

II- EXPLANATORY NOTES

1. Managerial Remuneration

The Company carries out periodic reviews of comparable Companies and through commissioned survey ascertains the remuneration levels prevailing in these Companies. The Company's Remuneration Policy is designed to ensure that the remuneration applicable to Managers in the Company is comparable with Companies operating in similar industries in India.

Managerial remuneration was paid as set out below:

Name of the Person	Designation	2016-17	2015-16
Mr. CHALLA SRISHANT	Director	-	-
Mr. CHALLA RAJENDRA PRASAD	Director	-	-
TOTAL		-	-

2. Auditors' Remuneration

PARTICULARS	2016-17	2015-16
Statutory Audit	50,000	10,000
Tax Audit	50,000	-
TOTAL	1,00,000	10,000

Note: All amounts are stated exclusive of Service Tax.

3. Disclosures under the Micro, Small and Medium Enterprises Act, 2006

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in

respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. In view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the aforesaid Act is not expected to be material.

Particulars	As at March 31, 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	NIL
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL

4. Unconfirmed balances of Receivable, Payables and Advances

Where written confirmation has not been obtained from the parties themselves, the management has certified them to be true and correct. The management does not anticipate any material changes in these amounts considered in the financial statements.

5. Disclosure under AS - 18 : Related Party Disclosures

List of Related Parties and their Relationships:

of Related Parties and their Relationships.

ASSOCIATES FIRMS		
Sl. No.	Name of the Firm	
1		
KEY MANAGEMENT PERSONNEL (KMP)		
Sl. No.	Name of the Person	Designation
1	Mr. CHALLA SRISHANT	Director
2	Mr. CHALLA RAJENDRA PRASAD	Director

Transactions / Balances with Related Parties

NATURE OF TRANSACTION	Mr. CHALLA SRISHANT	Mr. CHALLA RAJENDRA PRASAD	Total Amount
1. Director's Remuneration	-	-	-
2. Loans accepted	-	-	-
3. Loans repaid	-	-	-
4. Advances Given	-	-	-

Closing Balance with Related Parties (Debit / (Credit))

Name of the Party	Amount in Rs (As at 31 st March 2017)
Mr. CHALLA SRISHANT	-
Mr. CHALLA RAJENDRA PRASAD	-

Note: Related Party Relationships are as identified by the Company and relied upon by the Auditors

6. Disclosure under AS -20 : Earnings Per Share

PARTICULARS	2016-17	2015-16
Profit/(Loss) after tax (net profit attributable to Equity Shareholders)	(3,71,51,199)	(235,003)
Weighted average number of equity shares outstanding during the year	30,00,000	60,000
Earnings per share (Basic & Diluted)	(12.38)	(3.92)

7. Foreign Exchange Earned:

Receipt of Foreign Currency	Rs. Nil/-
Payment of Foreign Currency	Rs. Nil/-

8. Disclosure under AS - 22 : Accounting for Taxes on Income**Major components of Deferred Tax, arising on account of Timing Differences**

PARTICULARS	As at 31 st March, 2017 (inRs.)
Deferred Tax Liabilities	NIL
Depreciation & Amortization	NIL
Expenses disallowed as per the Income Tax Act, 1961	NIL
Previous year expenses now allowed	NIL
Net Deferred Tax Assets as at 31.03.2017	NIL

In accordance with "Accounting Standard 22", the Company has not any Deffered tax in its Profit & Loss Account.

9. Disclosure under AS - 29 : Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities- Nil

10. Comparatives and Disclosures:

The previous year figures have been regrouped, reworked, rearranged and reclassified wherever necessary.

11. Disclosure of Specified bank Notes and Other Bank notes during the period of 08-11-2016 to 31-12-2016.

Particulars	Specified Bank notes		Other denomination notes		Total
	Denomination	Amount	Denomination	Amount	
Closing balance as at 08-11-2016		241,000		52,276	293,276
(+) Amount withdrawn from Banks		-		106,000	106,000
(+) Permitted receipts		-		62,882	62,882
(+) Non Permitted receipts		-		-	-
(-) Permitted payments		-		16,548	16,548
(-) Non Permitted payments		-		-	-
(-) Amount deposited in Banks		241,000		2,457	243,457
Closing balance as on 30-12-2016		-		202,153	202,153

M/s.S V P & Co.,
Chartered Accountants
FRN:014048S

R. Srinivasu
Partner
M.No:224033



For and on behalf of the Board
M/s CONTINENTAL COFFEE PRIVATE LIMITED

C. R. Srinivasu *P. Srinivasu*

Director

Director

Date: 10-05-2017.
Place: Hyderabad