

VSPV & Co

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Jungbusch Ales India Private Limited**

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Jungbusch Ales India Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

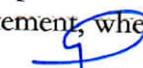
In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for the Standalone 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 standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.


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In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

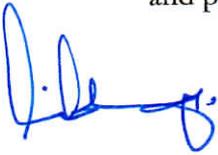
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, we can conclude that there is no material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes 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 the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - 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.



Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co
Chartered Accountants
Firm No.005483N
Place : Bangalore
Date : 23.11.2021
UDIN : 21200924AAA AIS7153

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Chartered Accountants

Annexure referred to in clause 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date

Re: Junghbusch Ales India Private Limited ('the Company')

- (i) a) In our opinion and according to information and explanations given to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) According to the information and explanations given to us the fixed assets of the Company have been physically verified by the management at reasonable intervals during the year and no material discrepancies are stated to have been noticed on such verification as compared to books of account.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public. During the year, the company has accepted loans its Director and some of the shareholders, in respect of which the provisions regarding acceptance of deposits under section 73 of the Companies Act, 2013 has been followed.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues with the appropriate authorities including Provident fund, Employees State Insurance fund, income tax, service tax, GST, cess or any other statutory dues
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, GST, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no dues of income tax, duty of excise, duty of customs, sales tax and service tax which have not been deposited by the Company on account of dispute
- (viii) The Company has not taken any loans or borrowing from any financial institution, bank, Government during the year and, accordingly, the requirements under paragraph 3(viii) of the Order are not applicable to the Company.

- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the period.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause (xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause (xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.


Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co

Chartered Accountants

Firm No.005483N

Place : Bangalore

Date : 23.11.2021

UDIN : 21200924AAAAIS7153

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Chartered Accountants

JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095

CIN: U74999KA2018PTC109827

BALANCE SHEET AS AT MARCH 31, 2021

PARTICULARS	Note No	March 31,2021	March 31,2020
<u>I. EQUITY AND LIABILITIES</u>			
<u>1. Shareholders' funds</u>			
(a) Share Capital	2.1	4,90,18,500	4,75,56,890
(b) Reserves and Surplus	2.2	(2,57,80,489)	(2,10,31,209)
(c) Share application money pending for allotment	2.3	1,07,40,540	-
<u>2. Non Current Liabilities</u>			
(a) Long term borrowings	2.4	2,70,50,882	1,39,64,331
(b) Deferred tax liabilities (Net)	2.5	23,29,281	15,52,994
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
<u>3. Current Liabilities</u>			
(a) Short-term borrowings		-	-
(b) Trade payables	2.6	44,61,232	67,80,318
(c) Other Current Liabilities	2.7	20,08,254	42,10,662
TOTAL		6,98,28,201	5,30,33,985
<u>II. ASSETS</u>			
<u>1. Non Current Assets</u>			
(a) Fixed Assets			
(i) Tangible Assets	2.13	4,58,65,735	4,61,35,579
(ii) Intangible Assets	2.13	26,397	48,413
(b) Non-current investments			
(c) Deferred tax assets (net)			
(d) Long term loans and advances	2.8	13,04,900	8,71,534
<u>2. Current Assets</u>			
(a) Trade Receivables	2.9	21,21,620	48,817
(b) Cash and Cash Equivalents	2.10	1,51,30,885	5,81,079
(c) Short-term loans and advances	2.11	9,97,587	3,52,225
(d) Other current assets	2.12	43,81,077	49,96,337
TOTAL		6,98,28,201	5,30,33,985

SIGNIFICANT ACCOUNTING POLICIES AND**NOTES TO ACCOUNTS**

1 & 2

As per our report attached

For and on behalf of the board

Vikas Gupta, FCA

Membership No.200924

Partner

VSPV & Co.

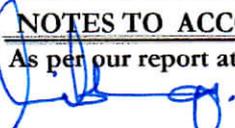
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Firm No.005483N

Place : Bangalore

Date : 23.11.2021

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Naveen Menon

Director

DIN : 07294194

Date: 18.11.2021

Subramaniam Shankar

Director

DIN : 07345635

Date: 18.11.2021

JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095
CIN: U74999KA2018PTC109827

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

PARTICULARS	Note	March 31,2021	March 31,2020
I. Revenue from operations	2.14	63,01,001	2,03,96,059
II. Other Income	2.15	54,862	-
TOTAL REVENUE (I+II)		63,55,863	2,03,96,059
III. Expenses			
(a) Cost of materials consumed	2.16	23,60,263	1,07,12,759
(b) Employee benefits expenses	2.17	66,73,056	82,22,333
(c) Finance costs	2.18	1,46,310	2,71,903
(d) Depreciation and amortization expense	2.19	33,23,133	25,63,222
(e) Other expenses	2.20	1,18,02,083	93,80,635
TOTAL EXPENSES (IV)		2,43,04,846	3,11,50,851
VI Profit before exceptional and extraordinary items and tax(III-IV)		(1,79,48,983)	(1,07,54,792)
V Exceptional items			
VI Profit before extraordinary items and tax (V-VI)		(1,79,48,983)	(1,07,54,792)
VII Extraordinary Items			
VIII Profit before tax (VII-VIII)		(1,79,48,983)	(1,07,54,792)
IX Tax expenses			
(a) Current tax		-	-
(b) Deferred Tax		7,76,287	37,90,571
		7,76,287	37,90,571
X Profit (Loss) for the period from continuing operations (IX-X)		(1,87,25,270)	(1,45,45,363)
XI Profit (Loss) for the period from discontinuing operations		-	-
XII Tax expense of discontinuing operations		-	-
XIII Profit /(Loss) from discontinuing operations (after tax)(XII-XIII)		-	-
XIV Profit /(Loss) for the period (XI+XIV)		(1,87,25,270)	(1,45,45,363)
XV Earnings per equity share:			
Basic(Based on Number of shares as on 31st March,2021)		(3.92)	(3.12)
Number of shares as on 31st March,2021		47,72,107	46,62,977

SIGNIFICANT ACCOUNTING POLICIES AND

NOTES TO ACCOUNTS

As per our report attached

Vikas Gupta, FCA
Membership No.200924
Partner

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For and on behalf of the board

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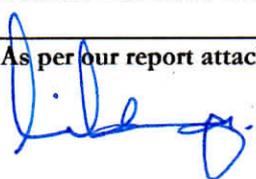
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	March 31,2021	March 31,2020
A. Cash flow from operating activities		
Profit before tax	(1,79,48,983)	(1,07,54,792)
Add/(Less) : Depreciation	33,23,133	25,63,222
Cash flow from operating activities before working capital changes	(1,46,25,850)	(81,91,570)
Working capital changes:		
(Increase) / decrease in trade receivables	(20,72,803)	(48,817)
(Increase) / decrease in other current assets	6,15,260	27,25,889
(Increase) / decrease in Loans & advances	(10,78,728)	8,32,800
Increase / (decrease) in other current liabilities	(22,02,408)	38,67,254
Increase / (decrease) in Trade Payables	(23,19,086)	(26,98,074)
	(70,57,764)	46,79,051
Less Taxes paid during the period		-
Net cash generated from / (used in) operating activities (A)	(2,16,83,614)	(35,12,519)
B. Cash flow from investing activities		
Purchase of fixed assets	(30,31,273)	(1,58,14,532)
Net cash generated from / (used in) investing activities (B)	(30,31,273)	(1,58,14,532)
C. Cash flow from financing activities		
Equity share Application Money received	1,54,37,600	47,00,000
Long term borrowings	1,30,86,552	1,39,64,330
Share application money pending for allotment	1,07,40,540	
Net cash generated from / (used in) financing activities (C)	3,92,64,692	1,86,64,330
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)	1,45,49,805	(6,62,721)
Cash and Cash equivalents at the beginning of the year	5,81,079	12,43,800
Cash and cash equivalents at the end of the year	1,51,30,885	5,81,079

Components of cash and cash equivalents:

Cash on hand	52,30,627	3,49,827
Balances with Banks in current account	99,00,258	2,31,252
	1,51,30,885	5,81,079

As per our report attached

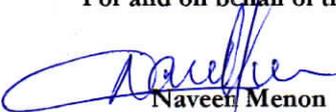


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Partner

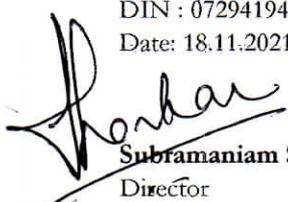
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Naveen Menon

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JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095

CIN: U74999KA2018PTC109827

Note – 1

Company Overview

Jungbusch Ales India Private Limited ("the Company") was incorporated on 24th January 2018 in India as a private limited company under the provisions of the Companies Act, 2013. The Company has its registered office 4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore 560066 Karnataka India. The company is engaged in the business of providing equipment rental services and its related services. Business of coffee brewing and sale, sale of roasted coffee beans, sale of ground coffee, coffee distribution and consultancy. Running restaurants, food & beverage outlets, Micro breweries, distilleries and providing consultancy, advisory services in such fields and other related activities.

1. Basis for preparation

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting and comply with the Accounting Standards (AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Act, to the extent notified and applicable. The financial statements are presented in the general format specified in Schedule III to the Act. The financial statements are presented in Indian rupees.

Significant accounting policies:

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to Small and Medium Sized Company.

1.1 Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses, reported balances of assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those of estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.2 Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and revenue can be reliably measured.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Dividend income if any is recognized when the right to receive dividend is established.

1.3 Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long term based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

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1.4 Fixed Assets, intangible assets and work-in-progress:

Fixed assets are stated at cost, less accumulated depreciation and impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

1.5 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized as part of the cost of the respective asset. Other borrowing costs are recognized as expense in the period in which they are incurred.

1.6 Depreciation and amortization

Depreciation on fixed assets and amortization of intangible assets is provided on straight line basis over its useful life as prescribed in Schedule II of the Companies Act, 2013.

Category of asset	Useful life	Residual value
Office Equipment's	5 Years	5% of Gross value
Furniture	10 Years	5% of Gross value
Plant and Machinery	15 Years	5% of Gross value

1.7 Leases

Finance Lease:

Assets acquired under leases, where the Company has substantially assumed all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalized at fair value of asset or the present value of the minimum lease payments, at the inception of the lease, whichever is lower.

Operating Lease:

Assets acquired under leases, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight line basis in the statement of profit and loss account over the lease term.

1.8 Impairment of Assets:

At each Balance Sheet date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount an impairment loss is recognized in the Statement of Profit & Loss to the extent-carrying amount exceeds the recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

The Company has carried out a verification of Assets and found no material Impairment of Assets as on 31st March 2021. Therefore no provision is made in respect of Impairment of Assets during the year.

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Chartered Accountants

1.9 Employee Benefits:

The amounts paid/payable on account of short-term employee benefits, comprising largely of salaries & wages, and annual bonus is valued on an undiscounted basis and charged to the Statement of Profit and Loss for the period.

However since the number of employees do not exceed the statutory threshold limit, the statutory payments/provisions regarding Gratuity, Leave encashment are not applicable to the Company.

1.10 Foreign Currency Transactions:

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated at the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled, if any.

1.11 Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Necessary provisions have been made in the books of accounts for the year in respect of all known liabilities. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company discloses the existence of contingent liability in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12 Income Tax

Income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of Income-tax Act, 1961. The Company records payment of Minimum alternate tax as a current tax component in the year in which such tax is incurred. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods by applying the tax rate and laws, enacted or substantially enacted as on the Balance Sheet date.

Deferred tax is computed on timing differences which may comprise of:-

- (a) Depreciation and other charges provided for in the accounts and the corresponding allowance for tax purpose:
- (b) Preliminary expenses written off fully in books of accounts but proportionately allowed over five years for tax purpose
- (c) Items or amounts charged to Profit and Loss Account disallowed as per Income tax Act but allowed only in the year of payment.
- (d) Carry forward losses and unabsorbed depreciation under the Income tax Act.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are realized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

However, the Company has not recognised Deferred Tax Assets, as there is no virtual certainty at the moment that the company will have sufficient future taxable income which will be available to realise, against such deferred tax assets. However, management will review and recognise the same as and when the criteria for recognition are fulfilled.

1.13 Earnings per Share

Basic earnings per share are computed by dividing the net profit or loss for the period attributable to equity shareholders after tax (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period.

1.14 Derivative Instruments:

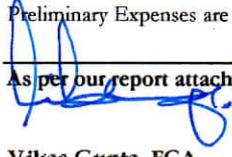
During the current year the company has not entered into any Forward Exchange Contract and therefore no disclosure pertaining to the same is applicable for the current year.

Foreign Currency exposures have not been hedged by a derivative instrument or otherwise.

1.15 Preliminary Expenses:

Preliminary Expenses are written off in the books of accounts in the same year in which it has been incurred.

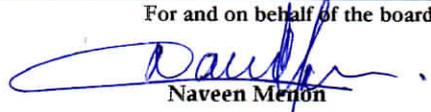
As per our report attached


Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co
Chartered Accountants
Firm No.005483N
Place : Bangalore
Date : 23.11.2021
UDIN: 21200924AAAAAIS7153

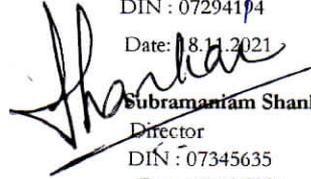
VSPV & Co.
Chartered Accountants

For and on behalf of the board


Naveen Menon

Director
DIN : 07294194

Date: 8.11.2021


Subramaniam Shankar

Director
DIN : 07345635
Date: 18.11.2021

JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095

CIN: U74999KA2018PTC109827

2 NOTES TO ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2021

Amounts in the financial statements are presented in Rupees, except for per share data and as otherwise.

Particulars	March 31,2021	March 31,2020
2.1 SHARE CAPITAL		
<u>Authorised Capital:</u>		
Equity Shares, of Re.10/- each	5,00,00,000	5,00,00,000
50,00,000 Equity Shares	<u>5,00,00,000</u>	<u>5,00,00,000</u>
<u>Issued, Subscribed, and Paid Up:</u>		
Equity Shares, of Re.10/- each		
49,01,850 Equity Shares fully paid up		
(PY 47,55,689 Equity shares fully paid up)	4,90,18,500	4,75,56,890
Total	<u>4,90,18,500</u>	<u>4,75,56,890</u>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-

Reconciliation of number of shares outstanding and the amount of share capital as at March 31, 2021

Particulars	Number of shares	As at March 2021	Number of shares	As at March 2020
Number of Equity shares at the beginning as on 31st March 2021	47,55,689	4,75,56,890	42,85,689	4,28,56,890
Add: Shares issued during the year	1,46,161	14,61,610	4,70,000	47,00,000
Number of shares at the end	49,01,850	4,90,18,500	47,55,689	4,75,56,890

Disclosure of shares held by each share holder:

Name of the Shareholder	Number of shares	As at March 2021	Number of shares	As at March 2020
Subramaniam Shankar	3,05,000	6%	3,05,000	6%
Naveen Menon	2,50,000	5%	2,50,000	5%
Amarshree Enterprises Private Limited	5,00,000	10%	5,00,000	11%
Anubhav Argal	2,50,000	5%	2,50,000	5%
Bipin	4,99,950	10%	4,99,950	11%
Vimaldeep Manvendra Bhadange	3,99,989	8%	3,99,989	8%
Taproom GmbH	23,55,750	48%	23,55,750	50%
Sumeeth Argal and Divya Shanker	1,95,000	4%	1,95,000	4%
El Dorado Coffee Beteiligungsgesell Schaft	1,46,161	3%	-	-
	49,01,850	100%	47,55,689	100%

2.2 RESERVES AND SURPLUS

(a) Profit & Loss Account

-Opening balance	(2,10,31,209)	(64,85,846)
Add: Transferred during the year	(1,87,25,270)	(1,45,45,363)
-Closing balance	Total (3,97,56,479)	(2,10,31,209)

(b) Securities Premium Account

-Opening balance	-	-
Add: Transferred during the year	1,39,75,990	-
-Closing balance	Total 1,39,75,990	(2,10,31,209)

2.3 SHARE APPLICATION MONEY PENDING FOR ALLOTMENT

El Dorado Coffee Beteiligungsgesell Schaft*

	1,07,40,540	-
Total	1,07,40,540	-

*In respect of share application money pending for allotment, Equity Shares having face value of Rs 10 has been issued and allotted on 06-May-2021

VSPV & Co.
Chartered Accountants

JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095

CIN: U74999KA2018PTC109827

2 NOTES TO ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2021

Amounts in the financial statements are presented in Rupees, except for per share data and as otherwise.

Particulars	March 31,2021	March 31,2020
2.4 LONG TERM BORROWINGS		
Unsecured loans		
(a) Other loans and advances		
- External Commercial Borrowings from Taproom Gmbh (Refer note 2.18)	1,62,72,900	1,39,64,331
- Loan from Director [Refer note 2.4 (a)]	12,77,982	-
- Loan from Shareholders [Refer note 2.4 (a)]	95,00,000	-
Total	2,70,50,882	1,39,64,331
2.4 (a) Loans from Director & Shareholders		
During the FY 2020-21, the company has received interest free unsecured loans from its Director and Members for Rs 12,77,982 and Rs 95,00,000 respectively.		
2.5 DEFERRED TAX LIABILITY		
(a) Deferred Tax Liability	23,29,281	15,52,994
(Refer Note 2.5(a))	Total 23,29,281	15,52,994
2.5 (a) DEFERRED TAXES		
Deferred Tax Liability on Fixed Assets	23,29,281	15,52,994
2.6 TRADE PAYABLES		
- Total outstanding dues of micro enterprises and small enterprises	4,64,400	3,70,604
- Total outstanding dues of creditors other than micro enterprises and small enterprises	39,96,832	64,09,714
Total	44,61,232	67,80,318
Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company are as under:		
Principal amount due to suppliers under MSMED Act	4,64,400	3,70,604
Interest accrued and due to suppliers on above amount	-	-
Payment made to suppliers beyond appointed day during the year	-	-
Interest paid to suppliers during the year	-	-
Interest due and payable to suppliers towards payment already made during the year	-	-
2.7 OTHER CURRENT LIABILITIES		
Statutory Dues		
PT Payable	-	1,400
TDS Payable	68,026	1,62,275
ESI Payable	8,037	-
GST Payable	78,030	-
Other Payables		
Expenses Payable	1,05,652	4,88,443
Reimbursements payables	-	29,38,240
Salaries Payable	17,48,509	6,20,304
Total	20,08,254	42,10,662
2.8 LONG TERM LOANS AND ADVANCES		
(a) Unsecured, considered good		
Rent Deposit	12,74,900	8,00,000
Other Deposit	30,000	71,534
Total	13,04,900	8,71,534

VSPV & Co.
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JUNGBUSCH ALES INDIA PRIVATE LIMITED

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2 NOTES TO ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2021

Amounts in the financial statements are presented in Rupees, except for per share data and as otherwise.

<u>Particulars</u>	<u>March 31,2021</u>	<u>March 31,2020</u>
2.9 TRADE RECEIVABLE		
(a) Secured, considered good	-	-
(a) Unsecured, considered good		
- due for more than six months	1,30,534	-
- due for less than six months	19,91,086	48,817
(c) Doubtful	-	-
Total	21,21,620	48,817
2.10 CASH AND CASH EQUIVALENTS		
Cash in Hand	52,30,627	3,49,827
Balances with banks		
- in current account	99,00,258	2,31,252
Total	1,51,30,885	5,81,079
2.11 SHORT TERM LOANS AND ADVANCES		
Advance paid for capital goods	-	-
Advances Paid for Expenses	8,97,587	-
Others	1,00,000	3,52,225
Total	9,97,587	3,52,225
2.12 OTHER CURRENT ASSETS		
Prepaid Asset	90,205	-
GST Input	40,35,344	40,81,950
Refund from Income tax FY 2019-20 (Refer Note 2.12(a))	-	9,14,388
Refund from Income tax FY 2020-21 (Refer Note 2.12(a))	2,55,528	-
Total	43,81,077	49,96,338
2.12(a) Income tax refund		
Current tax	-	-
Less: TDS for FY 2020-21	(2,55,528)	(9,14,388)
Less: Advance tax	-	-
Total	(2,55,528)	(9,14,388)

VSPV & Co.
Chartered Accountants

JUNGBUSCH ALES INDIA PRIVATE LIMITED
2.13 FIXED ASSETS AND DEPRECIATION AS PER SCHEDULE II OF COMPANIES ACT, 2013

ASSET	GROSS BLOCK				DEPRECIATION RESERVE				NET BLOCK		
	01-Apr-20	Additions	Deletions	31-Mar-21	Up to 01-04-2020	Deletions	For the Year	31-Mar-21	Impairment of Assets	31-Mar-21	31-Mar-20
TANGIBLE ASSETS											
Office Equipments	68,360	734,048	-	802,408	13,115	-	30,140	43,255	-	759,153	55,245
Furniture and Fixtures	1,907,635	-	-	1,907,635	256,387	-	181,226	437,613	-	1,470,022	1,651,248
Microbrewery	40,267,878	-	-	40,267,878	2,508,369	-	2,550,299	5,058,668	-	35,209,210	37,759,509
Plant & Machinery	7,313,349	2,297,225	-	9,610,574	643,772	-	539,452	1,183,224	-	8,427,350	7,132,756
Intangible assets											
Software	69,525	-	-	69,525	21,112	-	22,016	43,128	-	26,397	-
Total	49,626,747	3,031,273	-	52,658,020	3,442,755	-	3,323,133	6,765,888	-	45,892,132	46,598,758

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JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095

CIN: U74999KA2018PTC109827

2 NOTES TO ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2021

Particulars	March 31,2021	March 31,2020
2.14 REVENUE FROM OPERATIONS		
Equipment Hiring Fee	48,37,251	2,03,96,059
Management Fee	14,47,218	-
Sale of Bean Song Blend	16,080	-
Sales of Black & White SUP Pouch	451	-
Total	63,01,001	2,03,96,059
FOREIGN INCOME / EXPENDITURE		
Interest on loan - Expenditure	1,46,310	2,71,903
2.15 Other Incomes		
Interest from Income Tax refund	54,862	-
	54,862	-
2.16 COST OF MATERIAL CONSUMED		
Materials:		
Opening Stock	-	-
Add: Purchases of Consumables	23,60,263	1,07,12,759
	23,60,263	1,07,12,759
Less: Closing Stock	-	-
Cost of Material Consumed	23,60,263	1,07,12,759
2.17 EMPLOYEE BENEFITS EXPENSES		
Salaries and other benefits	63,99,323	77,70,516
Training and Staff welfare expenses	2,73,733	4,51,817
Total	66,73,056	82,22,333
2.18 FINANCE COST		
Interest on loan	1,46,310	2,71,903
Total	1,46,310	2,71,903
2.19 DEPRECIATION		
Depreciation on Tangible Assets	33,23,133	25,63,222
Total	33,23,133	25,63,222

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2.20 OTHER EXPENSES

Audit Fee (Refer Note 2.20(a))	2,72,500	1,85,450
Advances written off	-	95,078
Bank charges	23,613	42,693
Conveyance Expenses	1,43,155	2,61,747
Electricity charges	4,17,491	27,322
ESI Contribution	6,528	-
Forex Loss	16,47,620	2,208
Furniture Hire Charges	51,671	-
Insurance expenses	1,38,478	2,97,848
Marketing Expense	27,21,452	4,85,278
Office expenses	2,06,875	72,229
Postage and Courier Charges	7,975	-
Printing & Stationery	17,783	10,860
Professional Charges	17,80,725	10,05,580
Registration , Rates and Taxes	3,44,402	2,19,865
Rates and Taxes- Excise duty	21,74,347	34,71,895
Rent (Refer Note 2.20(b))	8,27,555	7,38,400
Repairs & Maintenance	2,17,232	1,40,594
Software renewals	-	1,20,428
Subscription Charges	-	33,769
Telephone, Mobile & Internet Expenses	53,479	64,434
Travelling Expenses	7,49,201	21,04,957
Total	1,18,02,083	93,80,635

2.20 (a) AUDIT FEE

Statutory audit fee	75,000	75,000
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Other services

Other certification chages	1,97,500	1,10,450
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Total	2,72,500	1,85,450
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2.20 (b) OFFICE RENT

Premises for office use under an operating lease agreement commencing from 05th September 2020 and extending u from the date of inception i.e. 05th August 2021 for which office rent is accounted as per the invoices.

Lease payments recognised as per the profit and loss account	8,27,555	7,38,400
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VSPV & Co.
Chartered Accountants

JUNGBUSCH ALES INDIA PRIVATE LIMITED

4th Floor, Sipani East Avenue, 439 18th Main Road, 6th Block, Koramangala, Bangalore KA 560095

CIN: U74999KA2018PTC109827

LIST OF RELATED PARTIES:

Key Management Personnel(KMP)

Naveen Menon

Subramaniam Shankar

Relative of (KMP)

Nikhil Menon

Entity with Significant Influence

Taproom GmbH

2.21 RELATED PARTY TRANSACTIONS - Accounting Standard 18**List of Related Parties:**

<u>Nature of Transaction</u>	<u>Relationship</u>	<u>March 31,2021</u>	<u>March 31,2020</u>
Salary			
Nikhil Menon	Relative of KMP	19,35,657	18,00,000
Subramaniam Shankar	Director	10,58,084	9,00,000
Naveen Menon	Director	50,200	-

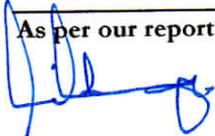
External Commercial Borrowings and Interest Expense

Taproom GmbH*

Loan outstanding at the beginning of the year	1,39,64,331	-
Receipt of loan during the year	33,52,400	1,50,00,000
Repayment of loan during the year	(26,81,424)	(10,35,669)
Forex Restatement at the reporting date	16,37,594	-
Loan outstanding at the end of the year	<u>1,46,35,306</u>	<u>1,39,64,331</u>

* This represents External Commercial Borrowings from Taproom GmbH received on 23rd June 2019 for a period of 9 years at an interest rate of LIBOR+450 points for first installment and thereafter at a fixed interest rate of 1% pa

As per our report attached


Vikas Gupta, FCA

Membership No.200924

Partner

VSPV & Co.

Chartered Accountants

Firm No.005483N

Place : Bangalore

Date : 23.11.2021

UDIN: 21200924AAAAIS7153

VSPV & Co.
Chartered Accountants

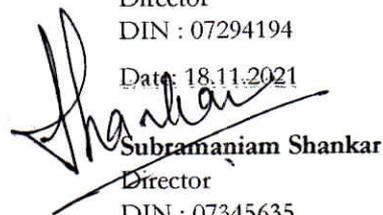
For and on behalf of the board


Naveen Menon

Director

DIN : 07294194

Date: 18.11.2021


Subramaniam Shankar

Director

DIN : 07345635

Date: 18.11.2021