

INDEPENDENT AUDITOR'S REPORT

To
The Members
JMC MINING AND QUERRIES LTD.

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of **JMC MINING AND QUERRIES LTD.** (“the Company”), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other Comprehensive Income) , the Cash flow statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financials statements to give a true and fair view of the financial position, financial performance (including other Comprehensive Income), cash flow and the changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereto. 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

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken in to account the provisions of the Act, *and the Rules made there under including* 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 thereunder.

We conducted our audit *of the Ind AS financial statements* in accordance with the Standards on Auditing specified under section 143(10) of the Act *and other applicable authoritative pronouncements issued by the Institute of Chartered Accounts of India*. Those Standards *and pronouncements* require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Ind AS financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March, 2018, and its losses and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the companies (Auditor's Report) Order, 2016 (" Order 2016) ; issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure-"A" a statement on the matters specified in paragraph 3 and 4 of the order.
8. 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 appears from our examination of those books
 - c) The Balance Sheet and Statement of Profit and Loss (including other comprehensive income), and Cash Flow statement of changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone Ind AS financial statement comply with the Accounting Standards referred to in section 133 of the Act.
 - e) on the basis of written representations received from the directors as on 31st March 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the 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, we give our separate report in “Annexure-B”.
- g) With respect to others 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 have a material impact its financial positions.
 - ii. Based on the assessment made by the Company, there are no material foreseeable losses on its long term contracts that may require any provisioning.
 - iii. In view of there being no amount(s) required to be transferred to the Investor Education and Protection Fund for the year under audit the reporting under this clause is not applicable.

For, Sudhir N Doshi & CO.
Chartered Accountants
FRN 110496W

Place : Ahmedabad
Date : 08th May, 2018

(Sudhir N Doshi)
Proprietor
Membership No. : 030539

Annexure-A to the Independent Auditors' Report

Referred to in para 8 of our report of even date, to the members of JMC Mining and Quarries Limited for the year ended March 31, 2018

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year and material discrepancies have been noticed on such physical verification. In our opinion, the frequency of verification is reasonable.
- (ii) (a) The inventory has been physically verified by the management during the year by management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks the book records were not material.
- (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 Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the reporting requirements under sub –clause (a) and (b) of clause (iii) of paragraph 3 of the order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there are not loans, investments, guarantees and securities granted in respect of which provisions o section 185 and 186 of the Act are applicable and hence the reporting requirements under clause (iv) of paragraph 3 of the order are not applicable.
- (v) In over opinion and according to the information and explanations given to us, the company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under are not applicable.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under section 148(1) fo the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not. However, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty,

cess and other statutory dues to the extent applicable with appropriate authorities in India.

According to the information and explanations given to us, there are no undisputed amounts in respect of the aforesaid statutory dues which in arrears as at March 31, 2018 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 applicable statutory dues which have not been deposited on account of any dispute.

- (viii) Based upon audit procedures carried out by us and on the basis of information and explanations provided by the management we are of the opinion that the company has not defaulted in repayment of dues to the banks. The company does not have any borrowings from financial institution or government. The company has not issued any debentures as at the balance sheet date.

- (ix) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been ultimately utilized for the purpose for which they were taken. Further, the Company has not raised / taken any funds by way of initial / further public offer.

- (x) Based on our audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

- (xi) According to the information and explanations give to us, the company has not paid any managerial remuneration during the year and hence the reporting requirements under clause (xi) of paragraph 3 of the order are not applicable.

- (xii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.

- (xiii) According to the information and explanations given to us, all transactions entered into by the company with related parties are in compliance with section 177 and 178 of the Act. Where applicable and the details thereof have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 (as amended)

- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3 (xiv) of the Order are not applicable to the Company.

- (xv) As per the information and explanations provided to us, the company has not entered into any non-cash transactions with directions or persons connected with them. Accordingly, the provisions of Clause 3 (xv) of the Order are not applicable to the Company.

(xvi) In our opinion and 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, 1934. Accordingly, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

For, Sudhir N Doshi & Co.
Chartered Accountants
FRN. 110496W

Place : Ahmedabad
Date : 08th May, 2018

Sudhir N Doshi
Proprietor
Membership No. : 030539

Annexure B to the Independent Auditors' Report

Referred to in para 9 of our report of even date, to the members of JMC Mining and Quarries Limited for the year ended March 31, 2018

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 JMC Mining and Quarries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 criteria 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 (ICAI). 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We concluded 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 evidences 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 judgments, 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 base 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 authorisations 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 limitation of internal financial control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error of 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 controls 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, 2018, based on the internal control over financial reporting criteria 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, Sudhir N Doshi & Co.
Chartered Accountants
FRN. 110496W

Place : Ahmedabad
Date : 08th May, 2018

Sudhir N Doshi
Proprietor
Membership No. : 030539

JMC Mining and Quarries Ltd.
Balance Sheet as at March 31, 2018
(in Rupees)

Particulars	Note No.	As at 31 Mar, 2018	As at 31 Mar, 2017
I. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital		5,000,000	5,000,000
(b) Other Equity			
(i) Equity component of other financial instruments		-	-
(ii) Retained Earnings		(7,336,726)	(7,309,105)
(iii) Reserves			
1.1 Reserves representing unrealised gains/losses	1	-	-
1.2 Other Reserves (to be specified separately)	1	4,298,006	4,298,006
(iv) Money received against share warrants		-	-
		1,961,280	1,988,901
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	2	-	-
(ii) Other financial liabilities	3	-	-
(b) Long-term provisions	4	-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities	5	-	-
		-	-
3 Current liabilities			
(a) Financial Liabilities			
(i) Short term borrowings	6	7,120,251	7,120,251
(ii) Trade and other payables	7	28,750	28,750
(iii) Other financial liabilities	8	-	-
(b) Other current liabilities	9	-	-
(c) Short-term provisions	10	-	-
(d) Liabilities for Current Tax (Net)		-	-
		7,149,001	7,149,001
TOTAL EQUITY AND LIABILITIES		9,110,281	9,137,902
II. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	11	389,833	410,289
(b) Capital work-in-progress		-	-
(c) Investment in Property		5,755,395	5,755,395
(d) Other Intangible assets	12	-	-
(e) Intangible assets under development		-	-
(g) Financial Assets			
(i) Non-current Investments	13	-	-
(ii) Long term loans and advances	14	21,874	21,874
(iii) Other non-current financial assets	15	-	-
(h) Deferred tax assets (net)		-	-
(i) Other non-current assets	16	-	-
		6,167,102	6,187,558
2 Current assets			
(a) Inventories	17	1,114,608	1,114,608
(b) Financial Assets			
(i) Trade and other receivables	18	187,500	187,500
(ii) Cash and cash equivalents	19	72,384	79,549
(iii) Short term loans and advances	20	-	-
(iv) Others	21	-	-
(b) Assets for Current Tax (Net)		-	-
(c) Other current assets	22	1,568,687	1,568,687
		2,943,179	2,950,344
3 Non-current assets classified as held for sale			
		-	-
TOTAL ASSETS		9,110,281	9,137,902

Significant Accounting Policies & Notes 1 to 31 to these financial statements are accompanying

As per our report attached

 For Sudhir N Doshi & Co.
 Chartered Accountants
 Firm Registration No. 110496W

For and on behalf of the Board of Directors

 Sudhir Doshi
 Proprietor
 Membership No. 030539

 Rajesh Lad
 Director
 Hemant Modi
 Director

 Place: Ahmedabad
 Date: May 8, 2018

 Place: Ahmedabad
 Date: May 8, 2018

JMC Mining and Quarries Ltd.

Statement of Profit and Loss for the for the year ended March 31, 2018

(in Rupees)

Particulars	Note No.	For the year ended 31 Mar, 2018	For the year ended 31 Mar, 2017
I Revenue			
Revenue From Operations	23	-	-
Other Income	24	-	4,999.00
Total Revenue (I)		-	4,999
II Expenses			
Construction Materials Consumed	25	-	-
(Increase) / Decrease in Inventories of Work-in-Progress	26	-	-
Employee Benefits Expense	27	-	-
Finance Costs	28	-	782
Depreciation and Amortisation Expense	29	20,456	21,447
Other Expenses	30	7,165	178,250
Total Expenses (II)		27,621	200,479
III Profit before tax (I-II)		(27,621)	(195,480)
IV Tax expense			
Current Tax		-	-
Deferred Tax		-	-
V Profit for the year (III-IV)		(27,621)	(195,480)
VI Other comprehensive income			
a Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
b Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss			
Total comprehensive income for the period (V+VI)		(27,621)	(195,480)
VII Earnings per equity share			
a Basic Earnings Per Share		(0.06)	(0.39)
b Diluted Earnings Per Share		(0.06)	(0.39)

Significant Accounting Policies & Notes 1 to 31 to these financial statements are accompanying

As per our report attached

For Sudhir N Doshi & Co.
Chartered Accountants
Firm Registration No. 110496W

For and on behalf of the Board of Directors

Sudhir Doshi
Proprietor
Membership No. 030539

Rajesh Lad
Director

Hemant Modi
Director

Place: Ahmedabad
Date: May 8, 2018

Place: Ahmedabad
Date: May 8, 2018

