

PRASAD & KUMAR
CHARTERED ACCOUNTANTS

315, 6th Main Road, HAL II Stage, Indiranagar
Bangalore 560 038



Partners:

B.N. Govinda Prasad, B.Com, FCA, ISA
Mobile: 9845128229
Email: prasad@bngassociates.co.in

B.N.G. Kumar, B.Com, AICWA, FCA
Mobile: 9980329574
Email: kumar@bngassociates.co.in

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JKM AUTOMOTIVE LIMITED (CIN NO.U28110KA2017PLC102660)

Report on the Financial Statements

We have audited the accompanying financial statements of **JKM AUTOMOTIVE LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March 2018 and the Statements of Profit and Loss and Cashflow 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 and 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 the 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 internal financial control, 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 are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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

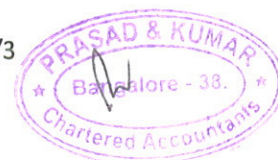
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) In the case of the Statement of Profit and Loss, of the LOSS for the year ended on that date;
- c) In the case of the Statement of Cashflow, of the Cash-flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. None of the clauses to be reported, 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 Act, are applicable for the audit period covered.
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 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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- 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 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) IN view of the fact that the company is yet to commence commercial operations, in our view, reporting With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, are not applicable for the audit period covered.
- 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 derivatives 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.



A handwritten signature in black ink, appearing to read "Govinda Prasad".

B.N.Govinda Prasad
Partner
Membership No. 23521
For & on behalf of
M/s. Prasad & Kumar
Chartered Accountants
Firm Regn No. 005837S

Place : Bangalore

Dated : 28th May 2018

JKM AUTOMOTIVE LIMITED

CIN - U28110KA2017PLC102660

BALANCE SHEET

		As at
		March 31, 2018
	Note No.	Rs.
I. ASSETS		
Current assets		
<i>(a) Financial Assets</i>		
(i) Cash and cash equivalents	2	80,850
Total current assets		80,850
TOTAL ASSETS		80,850
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	3	100,000
(b) Other equity	4	(52,100)
Total equity		47,900
Current liabilities		
(a) Other current liabilities	5	32,950
		32,950
TOTAL EQUITY AND LIABILITIES		80,850
Significant Accounting Policies	1	As per our report of even date attached
Notes and other disclosures	7	

For and on behalf of Board of Directors of JKM Automotive Limited



P. Chalapathi
Director
DIN No. 08087615



Suresh Jayapal Naidu
Director
DIN No. 06876264



B.N. Govinda Prasad
Partner
Membership No. 23521
For M/s Prasad & Kumar
Chartered Accountants
Firm Regn No. 005837S

Bangalore

Dated: 28th May 2018

JKM AUTOMOTIVE LIMITED

CIN - U28110KA2017PLC102660

STATEMENT OF PROFIT AND LOSS

		<u>For the year ended</u> <u>March 31, 2018</u>
	Note No.	Rs.
Other income		-
Total revenue		<u>-</u>
Expenses		
Other expenses	10	52,100
Total expenses		<u>52,100</u>
(Loss)/profit before exceptional items and tax		(52,100)
Exceptional items		-
(Loss)/Profit before tax		<u>(52,100)</u>
Tax expenses		
Income tax		-
Tax adjustments relating to prior years		-
Deferred tax (credit)		-
Profit after tax		<u>(52,100)</u>


VI. EARNINGS PER EQUITY SHARE

(1) Basic	-5.21
(2) Diluted	-5.21

Significant Accounting Policies
Notes and other disclosures

As per our report of even
1 date attached
7

For and on behalf of Board of Directors of JKM Automotive Limited



P. Chalapathi
Director
DIN No. 08087615



Suresh Jayapal Naidu
Director
DIN No. 06876264



B.N. Govinda Prasad
Partner
Membership No. 23521
For M/s Prasad & Kumar
Chartered Accountants
Firm Regn No. 0058375

Bangalore

Dated: 28th May 2018

JKM AUTOMOTIVE LIMITED

CIN - U28110KA2017PLC102660

CASH FLOW STATEMENT FOR THE YEAR ENDING 31st MARCH 2018

	2018 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit / (Loss) before tax	-52,100
Adjustments	-
Operating Profit before working capital changes	<u>-52,100</u>
(Increase) / Decrease in Long Term Loans & Advances	-
(Increase) / Decrease in Other Current Assets	-
Sub total	-52,100
(Decrease) / Increase in Other Current Liabilities	32,950
(Decrease) / Increase in Short Term Provisions	-
Cash generated from Operations	<u>-19,150</u>
Direct Taxes paid	-
Cash flow from Operating activities	<u>-19,150</u>
B. CASH FLOW FROM FINANCING ACTIVITIES	
Increase in Equity Capital	100,000
C. CASH FLOW FROM INVESTING ACTIVITIES	
Increase in Fixed Assets	-
Advances on Capital account	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>80,850</u>
Cash and cash equivalents as at March 31, 2017	-
Cash and cash equivalents as at March 31, 2018	<u>80,850</u>
	<u>80,850</u>

For and on behalf of Board of Directors of JKM Automotive Limited

As per our report of even date attached



P. Chalapathi
Director
DIN No.08087615



Suresh Jayapal Naidu
Director
DIN No.06876264



B.N. Govinda Prasad
Partner
Membership No. 23521
For M/s Prasad & Kumar
Chartered Accountants
Firm Regn No.005837S

Bangalore
Dated:

Bangalore

Dated: 28th May 2018

NOTES TO BALANCE SHEET AS AT 31st MARCH 2018

1 - SIGNIFICANT ACCOUNTING POLICIES

- a These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act.

This being the first financial year, the Company has adopted all the relevant Ind AS standards and the first time adoption is being carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards.

2 - CASH AND CASH EQUIVALENTS

	Rs.
Balances with banks	80,250
Cash on hand	600
	<u>80,850</u>

3 - SHARE CAPITAL

Authorised:

1,00,000 Equity Shares of Rs.10 each	<u>1,000,000</u>
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Issued, Subscribed and Paid-up:

Subscription to Memorandum of Association during the year 10,000 Equity Shares of Rs.10 each	100,000
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Additions / Adjustments during the year	-
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As at 31st March 18	<u>100,000</u>
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Out of the above 9,940 Equity Shares are held by JKM Erla Automotive Limited.
There were no movements in terms of shareholding during the year.

4 - OTHER EQUITY

Surplus

Add: Trf. From Statement of Profit and Loss during the year	(52,100)
Sub total	<u>(52,100)</u>

5 - OTHER CURRENT LIABILITIES

Expenses Payable	32,950
	<u>32,950</u>

6 - OTHER EXPENSES

Company Formation Expense	27,100
Statutory Audit Fee	25,000
	<u>52,100</u>

7 - NOTES AND OTHER DISCLOSURES

- 1 The Company was incorporated on 8th April 2017.
 - 2 Financials for the period are made-up from the date of incorporation and ending 31st March 2018, covering a period of 11 months and 23 days.
 - 3 Being the first financial year of the company, disclosure of comparative previous years' figures are not applicable.
 - 4 There were no contingent liabilities and contractual or other commitments, to the extent not already provided for in the accounts.
 - 5 Payment to auditors - for Statutory Audit Rs.25,000/-
 - 6 Related Party Transactions as per AS - 18
 - a. Key Management Personnel Mr.Satish Pal Singh, Director
Mr.Hanuman Kumar Sharma, Director
Mr.Suresh J Naidu, Director
 - b.Transactions affecting (a) above during the year None
 - c. Companies and other entities under the same management JKM Erla Automotive Limited. Holding Co.
 - d.Transactions affecting (c) above during the year Subscription to Equity Share Capi Rs.99,400/-
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