



# JET FREIGHT LOGISTICS LIMITED



Annual Report 2017-18



Late Mr. Francis Joseph Theknath  
Founder Chairman of Jet Freight Logistics Limited



## Message from Managing Director

### Dear Fellow Shareowners,

At the outset, I would like to thank all our esteemed shareholders for their overwhelming support and trust reposed in the company.

Your company has delivered a robust 30% growth in revenue as compared to previous year. Net Profit has also increased marginally @4% which if not for GST, would have done better. During the year, there were headwinds in terms of GST, trade and currency war. Further your Company has clocked a 12.58% growth in terms of tonnage as compared to previous year.

Indirect Tax reform in the form GST applicable from July, 2017 had an adverse impact on the income of the company. There were pressure on our company margins as the exporters were negotiating for better pricing due to additional GST levy @18%.

As I had mentioned in my last year's speech that our company is planning to have global footprint and having worked in that direction, our company has almost achieved that by securing a trade license in Dubai Free Zone Area by establishing 100% subsidiary in Dubai. I am confident to make the subsidiary profitable in the next financial year so that it adds value to our overall Jet Freight business plans.

As committed to our business plan for Domestic Cargo we have achieved a turnover of Rs. 4.37CR in a period of 9 months of the F/Y 2017-2018 with a 1000 tonnes upliftment of domestic cargos. I am sure that with the kind of growth envisaged in the e-commerce business we should be considering establishing a new company for domestic cargo business as a Wholly Owned subsidiary so that it can get better viability and independent funding from the market. We have the necessary infrastructure in place to deliver the full potentials of domestic cargo business and returns should follow in the coming years.

In terms of technology upgradation, it has been our endeavour to add a flavour of technology in our business and for this, a digital platform would be developed under the name of "BOOKKARGO" for securing orders. This initiative would go a long way in smooth functioning of our business and add to profits by reducing manpower cost and minimise order procurement time.

I am very optimistic that all the above mentioned initiatives and business moves would lead us to the next level of growth and our dream of market capitalisation of 100 CR would be fulfilled in the next couple of years. Besides organic growth as outlined above, we are also looking out for inorganic growth to achieve our desired objective of decent market capitalisation.

As we prepare to lay a strong foundation for the future, we would need to plough back the profits and therefore your company is not in a position to declare any dividend this year.

We are looking forward to continue on our mission of generating sustainable value for our stakeholders and I would like to place on record my appreciation to the Government of India, Government of Maharashtra, Bankers to the Company, the Airlines, customers, my employees/consultants for their relentless and valuable support and look forward to receive the same in future also.

Warm Regards,

Richard F. Theknath  
Managing Director

## Board of Directors & Key Managerial Personnel



Richard Francis Theknath



Dax Francis Theknath



Agnes Francis Theknath



Nikhil Sunil Arya



Cypriano Savio Fernandes



Jabir Shabbir Contractor



Shraddha Prakash Mehta

## CORPORATE INFORMATION

### Board of Directors

Mr. Richard F Theknath	Managing Director
Mr. Dax F Theknath	Whole-Time Director
Mrs. Agnes F Theknath	Non-Executive Director
Mr. Nikhil S Arya	Independent Director
Mr. Cypriano Savio Fernandes	Independent Director

### Chief Financial Officer

Mr. Jabir S Contractor

### Company Secretary & Compliance Officer

Ms. Shraddha P Mehta

### Statutory Auditors

M/s. S. C. Mehra & Associates,  
42, First Floor, Singh Ind. Estate No. 3,  
Near Big Cinema Movie Star,  
Off. S.V. Road, Ram Mandir West,  
Mumbai-400104.

### Secretarial Auditors

Parikh & Associates  
111, 11th Floor, Sai Dwar CHS Ltd  
Sab TV Lane, Opp Laxmi Indl Estate,  
Off Link Road, Andheri West  
Mumbai : 400053.

### Internal Auditors

M/s Sajjan Kanodia & Co.  
Chartered Accountants.  
Shubham Center, Chakala,  
Andheri East, Mumbai-400099.

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### Bankers

Kotak Mahindra Bank Limited

### Registered Office

C/706, Pramukh Plaza,  
Opp. Holy Family Church, Chakala,  
Andheri East, Mumbai-400099  
Phone: +91-22-61043700  
Email ID: ir@jetfreight.in  
Website: www.jetfreight.in  
CIN:L63090MH2006PLC161114

### Registrar and Share Transfer Agent

Bigshare Services Private Limited,  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant oasis apartments (Next To Keys Hotel),  
Marol Maroshi Road, Andheri East,  
Mumbai – 400059.  
Phone: +91 022 – 62638200

### For shareholders' use

Proxy form  
Attendance Slip  
Email Registration form

## NOTICE

Notice is hereby given that the 12<sup>th</sup> Annual General Meeting of the members of Jet Freight Logistics Limited will be held on Wednesday, September 05, 2018 at 2.30 p.m. at Goldfinch Hotel, Plot No. 34/21, Central Road, MIDC, Andheri (East), Mumbai - 400093 to transact the following business as:

### Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the Company on a standalone basis, for the financial year ended 31<sup>st</sup> March, 2018 including audited Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date along with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of **Mr. Dax Theknath (DIN: 01338030)**, who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

3. **Increase in Authorized Share Capital of the Company and amend the Capital Clause in the Memorandum of Association of the Company.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactments thereof, for the time being in force, the approval of the Members of the company be and is hereby accorded to increase the authorized share capital of the company from Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 equity shares of Rs. 10/- (Rupees Ten) each to Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 equity shares of Rs. 10/- (Rupees Ten), ranking pari-passu with the existing equity shares in the Company and that in clause V (a) of the Memorandum of Association of the Company for the words and figures,-

'The Authorized Share Capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lacs) equity shares of Rs. 10/- (Rupees Ten) each.'

#### **The following shall be substituted:**

'**The Authorized Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 (One Crore & Twenty Lacs) equity shares of Rs. 10/- (Rupees Ten) each.'**

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to sign and file all papers, documents and Forms with the Registrar of Companies, Mumbai and to do all acts and deeds to implement the above resolution in this regard."

4. **Issue of Bonus shares by capitalization of Reserves / Securities Premium Account.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable regulations and guidelines issued by SEBI and Reserve Bank of India (RBI), as amended from time to time, Articles of Association of the Company, and subject to such approvals, consents, permissions, conditions and sanctions as may be considered necessary from appropriate authorities, a sum not exceeding Rs. 5,80,04,730, as may be determined to be required by the Board, from and out of the amount standing to the credit of Securities Premium/ Surplus in the Statement of Profit & Loss Account as at March 31, 2018, be capitalized and transferred to Share Capital Account and that such sum shall be applied for allotment of New Equity Shares of the Company of Rs. 10 (Rupees Ten) each as fully paid-up Bonus Shares to the persons who, on the Record Date, shall be holders of the existing Equity Shares of Rs. 10 (Rupees Ten) each of the Company, in the proportion of 1 (One) New Equity Share for every 1 (One) existing Equity Share held by such persons, for all purposes, be treated as an increase in the paid up Share Capital of the Company held by each such Member, and not as income.

**RESOLVED FURTHER THAT** the New Equity Shares of Rs. 10 (Rupees Ten) each to be allotted as Bonus Shares shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with and carry the same rights as the existing Equity Shares and shall be entitled to participate in full in any dividends and any other corporate action declared after the New Equity Shares are allotted.

**RESOLVED FURTHER THAT** the New Equity Shares will be credited in electronic form to the demat accounts of the shareholders, within the period prescribed.

**RESOLVED FURTHER THAT** the allotment of the New Equity Shares as Bonus Shares to the extent they relate to Non-Resident Indians (NRIs), Foreign Portfolio Investors (FPIs), Persons of Indian Origin (PIO) and other foreign investors of the Company shall be subject to the approval of the RBI, under the Foreign Exchange Management Act, 1999, or any other regulatory authority, as necessary.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the New Equity Shares on the Stock Exchanges where the securities of the Company are presently listed, as per the provisions of the SEBI Listing Regulations and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the issue, allotment, distribution and listing of the New Equity Shares and its decision shall be final and binding.”

#### 5. Alteration of the main Object Clause in the Memorandum of Association of the Company:

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, the consent of the members of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies Maharashtra, Mumbai to amend clause III-Part A by inserting the following as sub clause (3) after sub clause (2) under clause III-Part A of the Memorandum of Association of Company:

**3. “ To carry on the business of clearing and forwarding of cargo all over the world and also in India by all the means of any of the business of transport i.e. air, road, sea into all kinds of handling like import, export; also import export consolidation and break bulk handling of cargo both inbound and outbound and all possible kinds of products like perishables, general cargo, valuables, human remains parcels, couriers, small packages, pharmaceuticals, drugs, medicines, accompanied and unaccompanied baggage and courier and all the possible kinds of cargo that need to be transported into or within India to anyplace in the world for commercial or non - commercial purpose through internet or any other channel and all types of e-commerce business in such services, vide business to business (b2b), business to customer (b2c) and providing services in Payment gateways, Portals, Internet Marketing, Electronic Publishing.”**

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies, Mumbai, Maharashtra.”

**By Order of the Board of Directors  
Jet Freight Logistics Limited**

**Date: 3<sup>rd</sup> August, 2018  
Place: Mumbai**

**Shraddha Mehta  
Company Secretary & Compliance Officer**

#### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) is also annexed.
2. In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017 notified on May 07, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement.

Accordingly, the Notice convening the ensuing AGM does not carry any resolution on ratification of appointment of Statutory Auditors. However, M/s. S. C. Mehra & Associates has confirmed that they are eligible to continue as Statutory Auditors of the Company to audit the books of accounts of the Company for the Financial Year ending March 31, 2019 and accordingly M/s. S. C. Mehra & Associates will continue to be the Statutory Auditors of the Company for the Financial Year ending March 31, 2019.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument of Proxy in order to be effective and valid, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 members provided shareholding of those members in aggregate should not be more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. All the documents referred to in the accompanying notice and the explanatory statement are open for inspection at the Registered Office of the Company during business hours from Monday to Friday up to the date of this Annual General Meeting of the Company.
5. Corporate Members intending to send their authorized representative to attend the meeting pursuant to section 113 of the Companies Act 2013 are requested to send to the Company, a certified true copy of Board resolution together with their specimen signature authorizing their representative to attend and vote on their behalf at the meeting.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
8. The notice of AGM along with Annual Report for 2017-18 is being sent by electronic mode to all the members whose email IDs are registered with the Company/Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have not registered their email addresses, physical copies are being sent by the permitted mode.
9. Non-resident Indian members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately the change in the residential status on return to India for permanent settlement.
10. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
11. This notice along with Annual Report for 2017-18 is being sent to all members of the Company whose name appears in the Register of Members/ list of beneficiaries received from the depositories on the end of 3<sup>rd</sup> August, 2018.
12. The entry to the meeting venue will be regulated by means of attendance slips. For attending the meeting, members, proxies and authorised representatives of the members, as the case may be, are requested to bring the enclosed attendance slip completed in all respects, including client ID and DP ID, and signed. Duplicate attendance slips will not be issued.
13. **All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules 2014 and Rule 11 of the Companies (Accounts) Rules 2014. All the aforesaid documents have been uploaded on and are available for download from the Company's website, being [www.jetfreight.in](http://www.jetfreight.in). Kindly bring your copy of Annual Report to the meeting.**
14. Rule 3 of the Companies (Management and Administration) Rules 2014 mandates that the register of members of all companies should include details pertaining to email address, permanent account number (PAN) or CIN, unique identification number, if any; father's/ mother's/ spouse's name, occupation, status, nationality; in case member is a minor, name of guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them.
16. No gifts shall be provided to members before, during or after the AGM.
17. Members may pursuant to section 72 of the Companies Act 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules 2014 file nomination in prescribed form SH-13 with the respective depository participant.
18. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
19. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM
20. A route map showing direction to reach the venue of the 12<sup>th</sup> AGM is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.

**21. Voting system:**

- Pursuant to the provisions of section 108 of the Companies Act, 2013, rules 20 and 21 of the Companies (Management & Administration) Rules 2014 and sub Reg. (1) & (2) of Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is not required to provide mandatorily to its members the electronic facility to exercise their right to vote at the AGM. Therefore, in terms the provisions of section 108 of the Companies Act, 2013, at any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under section 109 or the voting is carried out electronically, **be decided on a show of hands**. A declaration by the Chairman of the meeting of the passing of a resolution or otherwise by show of hands under sub-section (1) and an entry to that effect in the books containing the minutes of the meeting of the company shall be conclusive evidence of the fact of passing of such resolution or otherwise.
- Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him.
- **A Proxy cannot vote on a show of hands.**
- A Member who is a related party is not entitled to vote on a Resolution relating to approval of any contract or arrangement in which such Member is a related party.
- The Members of the Company holding shares on the “cut-off date” of **24<sup>th</sup> August, 2018** are entitled to vote on the resolutions proposed. Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
- The results of the voting will be placed by the company on its website [www.jetfreight.in](http://www.jetfreight.in) within 48 hours from the conclusion of the AGM and also communicated to the stock exchanges, where the shares of the company are listed.
- The resolutions proposed will be deemed to have been passed on the date of the AGM subject to the receipt of the requisite number of votes in favor of the resolutions.

**By Order of the Board of Directors  
Jet Freight Logistics Limited**

Date: 3<sup>rd</sup> August, 2018  
Place: Mumbai

**Shraddha Mehta  
Company Secretary & Compliance Officer**

**Explanatory Statement under Section 102 of the Companies Act, 2013:****Item No 3 & 4:**

The equity shares of the Company are listed and actively traded on National Stock Exchange of India Limited. With a view to encouraging the participation of small investors by making equity shares of the Company affordable and increasing the liquidity of the equity shares, the Board in its Meeting held on August 03, 2018, recommended an issue of Bonus Shares in the proportion of 1 (One) New Equity Share for every 1 (One) existing Equity Share of the Company of Rs. 10 each held by the Members on the Record Date, by capitalizing the amount standing to the credit of Securities Premium/Surplus in the Statement of Profit & Loss Account as at March 31, 2018.

Presently, the Authorized Share Capital of your company is Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lacs) equity shares of Rs. 10/- (Rupees Ten) each. It is proposed to increase the Authorized Share Capital from Rs. 6,00,00,000/- (Rupees Six Crores Only) to Rs. 12,00,00,000/- (Rupees Twelve Crores Only) by the creation of 60,00,000 equity shares of Rs.10/- each, ranking pari-passu with the existing equity shares in the Company.

The proposed increase of Authorized Share Capital, issue of bonus shares requires the approval of members in general meeting in terms of Sections 61 and 63 of the Companies Act, 2013 and any other applicable statutory and regulatory approvals. Consequent upon the increase of Authorized Share Capital, the company's Memorandum of Association will also be required to be altered so as to reflect the increase in share capital.

The draft copy of Memorandum of Association of the company is available for inspection at the registered office of the company from Monday to Friday during business hours.

Your directors recommend the proposed resolution giving effect to the above amendments for your approval.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company.

**Item No 5:**

The principal business of the Company is freight forwarding of perishable and general cargo. The Company proposes to undertake the same activity through internet or any other channel in view of the increase in demand and competition. By creating a portal, it would enable Freight Forwarders and Shippers to get an experience that is Convenient, Cost-Effective and Reliable through the drivers of Technology & Transparency.

To enable the Company to commence the aforesaid business, it is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the Company, by the insertion of sub-clause 3 after the existing sub-clause 2 under clause III-Part A as stated in the Resolution for which it is required to obtain the approval of shareholders of the company in general meeting of the Company by way of Special Resolution. The above amendment would also be subject to the approval of the Registrar of Companies, Maharashtra, Mumbai and any other Statutory or Regulatory Authority, as may be necessary.

The draft copy of Memorandum of Association of the company is available for inspection at the registered office of the company from Monday to Friday during business hours.

The Board of Directors recommends the relevant resolution for your consideration and approval as Special Resolution.

None of the Directors of the company or their relatives are concerned or interested in the resolution, except to the extent of their shareholdings in the company.

**By Order of the Board of Directors  
Jet Freight Logistics Limited**

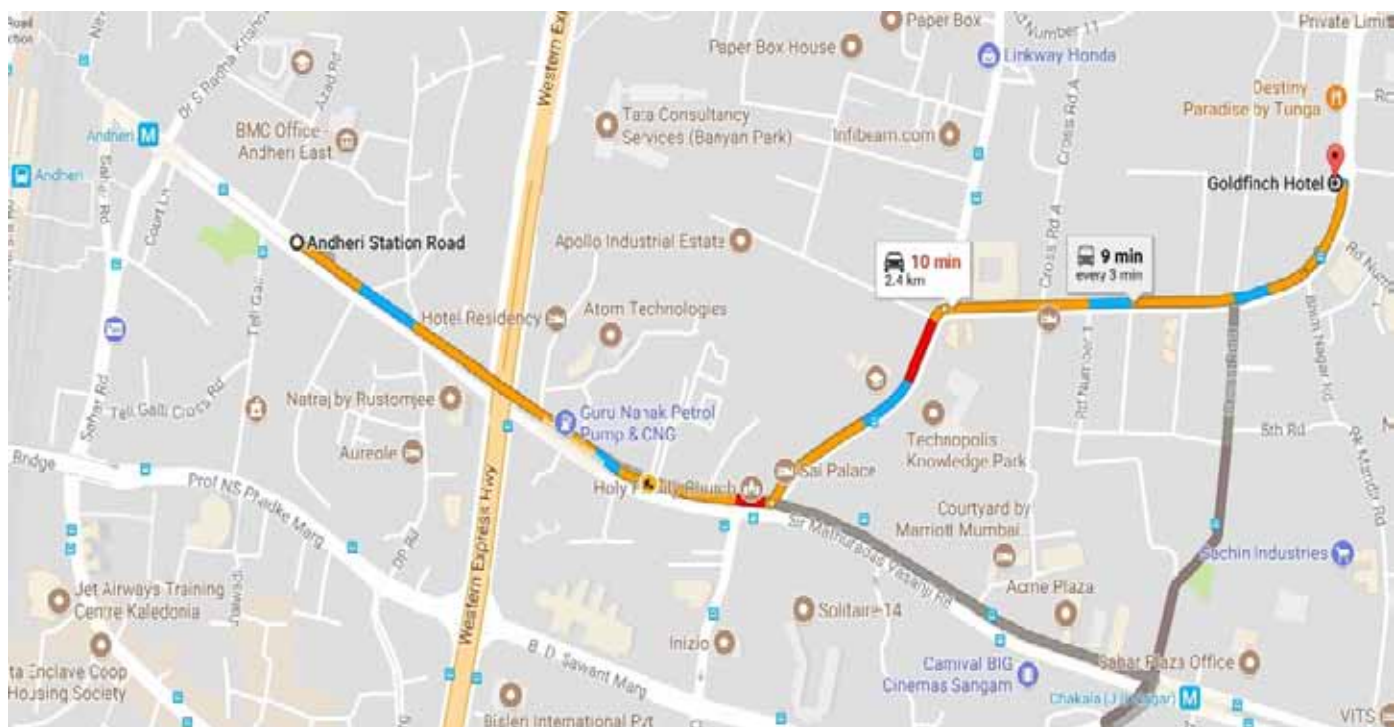
**Date: 3<sup>rd</sup> August, 2018  
Place: Mumbai**

**Shraddha Mehta  
Company Secretary & Compliance Officer**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 12<sup>th</sup> ANNUAL GENERAL MEETING**

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

<b>Name of the Director</b>	<b>Mr. Dax Francis Theknath</b>
Date of Birth	28.04.1986
Date of first appointment	13.04.2006
Qualification	He holds a license for Commercial pilot issued by Department of Transportation and Federal Aviation Administration (United States of America), FMBA.
Shareholding of directors	11,92,000 equity shares
Directors Inter-se relationship & the KMP	Brother of Mr. Richard Francis Theknath & Son of Agnes Francis Theknath, Directors.
Years of experience	12
No. of Board Meeting attended in FY	6
Area of expertise	He has significant experience in the field of Freight Forwarding, Logistics, Custom Clearing and handling and is also responsible for Marketing and maintaining operational excellence in the Organization.
Terms and conditions of appointment/re-appointment & Remuneration sought for	Nil
Details of remuneration last drawn (2017-18)	60,00,000 p.a.
Directorship in other public companies	Nil
Memberships of Committees in other public companies (Includes only Audit & Stakeholders Relationship Committee)	Nil

**ROUTE MAP TO THE VENUE OF THE AGM**

## DIRECTOR'S REPORT

Dear Members,

The Directors have pleasure in presenting this 12<sup>th</sup> Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the Financial Year ended on 31<sup>st</sup> March, 2018.

### FINANCIAL HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

The financial results for the year ended 31<sup>st</sup> March, 2018 and the corresponding figures for the last year are as under:-

(Rs. in lakhs)

Particulars	Financial Year 2017-2018	Financial Year 2016-2017
Total Income (Gross)	25281.98	19400.58
Less expenses	24149.93	18497.31
<b>Profit before interest, Depreciation and Tax</b>	<b>1132.05</b>	<b>903.27</b>
Less : Interest	274.45	226.71
<b>Profit before Depreciation and Tax</b>	<b>857.6</b>	<b>676.56</b>
Less Depreciation	79.26	65.69
<b>Profit before Tax</b>	<b>778.34</b>	<b>610.87</b>
Less : Provision for Taxation	253.40	222.02
<b>Profit after Tax</b>	<b>524.94</b>	<b>388.85</b>
Add: Balance B/F from previous Year	566.20	259.32
Less: Income Tax Adjustments of prior years	9.47	81.97
<b>Amount Available for Appropriation</b>	<b>1081.66</b>	<b>566.20</b>
<b>APPROPRIATIONS:</b>		
Transfer to General Reserve	Nil	Nil
<b>Balance carries to Balance Sheet</b>	<b>1081.66</b>	<b>566.20</b>

### OVERVIEW OF AIR CARGO IN INDIA:

Air freight appears to have entered a period of sustainable growth with steadily increasing volume from the e-commerce and pharmaceuticals sectors over the past few years leading to a decoupling of air cargo demand from goods trade growth and muddying the research waters in the process.

The general expectation is that the outlook for air freight over the next five years will be supported by a brighter economic and trade backdrop than what was seen between 2012 and 2017. Having accelerated in 2017, global GDP growth is expected to remain relatively robust over the next five years.

The International Monetary Fund (IMF) forecasts real GDP growth to average 3.1 percent between 2018 and 2022, compared with 2.8 percent during the previous five years. Global goods trade is also forecasted to grow more quickly than it did in the 2012 to 2017 period, with the IMF forecasting global goods trade growth to average 3.9 percent between 2018 and 2022, up from 3.1 percent.

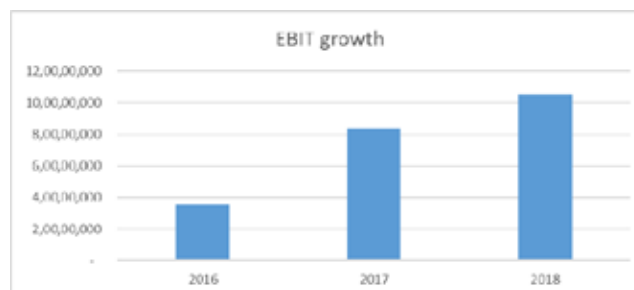
### SNAP SHOT OF KEY FINANCIAL PARAMETERS:

Particulars	2017-18	2016-17
Growth in Revenue (%)	30	4.88
Growth in PAT (%)	4	307
Return on Equity(%)	25	27
Gearing Ratio (TIMES)	1.40	1.90
Interest Coverage Ratio (TIMES)	4	3

## • Growth in Revenue:



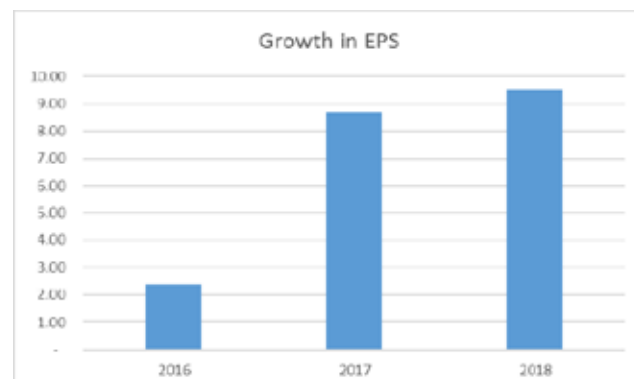
## • Growth in EBIT



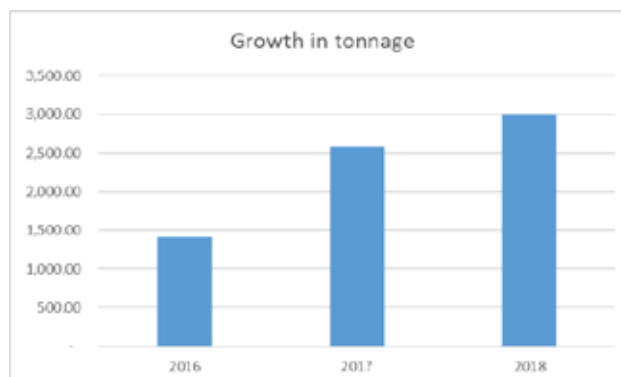
## • Growth in PAT



## • Growth in EPS:



## • Growth in EBIDTA per ton.



During the Financial Year ended March 31, 2018, the company has managed to cross over a biggest hurdle in terms of newly introduced indirect tax reforms i.e GST. Due to the introduction of GST, there was a pressure on the company's working capital and consequently cost became associated with it.

However the company EBIDTA margins have remained flat but having said that the EBIT has shown a marginal growth of 7% YoY basis.

Overall, the PAT margin has also grown marginally @4% YoY basis.

There was headwinds in the business due to the overall adverse impact of GST on freight forwarding industry. From a 100% exemption under the erstwhile service tax regime the Air freight was brought under 18% tax rate under the GST, which resulted in higher working capital requirement for the exporters and the consequential demand from the exporters for price reduction in freight.

**TONNAGE IMPROVEMENT:**

Your company carried 39,241 tonnes in the Financial Year 2017- 2018 as compared to 34,855 tonnes in the Financial Year 2016-2017. There is a 12.58% growth in tonnage as compared to the previous year.

The Domestic cargo business started by Jet Freight during the year started off with a good tonnage accumulation of 1000 tonnes in the maiden year of its operations. The total revenue clocked by the division is Rs. 4.37 CR for a period of nine months.

**DEALING WITH BANKS AND FINANCIAL INSTITUTIONS:**

The Company had a cordial relationship with the bankers during the year whereby the required support in terms of enhancement in the working capital limits was adequately provided by the bankers. Interest rate was also revised from 10.5% to 9.7% during the year based on better credit appraisal by the bank. Kotak Mahindra Bank Limited is also keen in supporting our future growth and would stand by us in terms of their commitment to be a valued stakeholder of our company.

**TRANSFER TO RESERVES:**

The Company has made no transfer to reserves for the Financial Year 2017-2018.

**DIVIDEND:**

During the Financial Year, the Directors have not recommended any dividend, to strengthen the financial position of the company.

**PREFERENTIAL ISSUE:**

The Company issued 3,50,000 equity shares of Rs. 10/- each at a price of Rs. 80/- per equity share (including a share premium of Rs. 70/- per equity share) aggregating to Rs. 2,80,00,000 (Two Crores Eighty Lakhs Only) on preferential basis by approving in the Board Meeting held on August 04, 2017 & in the Extra-Ordinary General Meeting held on August 31, 2017. The shares were allotted to such allottees on September 13, 2017.

**DEPOSITORY SYSTEM:**

The Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services India Limited.

**CHANGE IN THE NATURE OF BUSINESS:**

During the year under review, there were no material changes in the nature of business of the company.

**CORPORATE SOCIAL RESPONSIBILITY:**

This is the first year of Jet Freight for conducting CSR activities in the focused areas such as gender equality, education, aiding pregnant women through a Registered Trust named The Saved Pearl Foundation as the provisions of the Section 135 of the Companies Act, 2013 became applicable to the Company.

The Company has in place a CSR policy which provides guidelines to conduct CSR activities of the Company. The CSR policy is available on the website of the Company [www.jetfreight.in](http://www.jetfreight.in). During the year, the Company spent 5.86 lakhs on CSR activities. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 ('Act'), is annexed to this report (Annexure C).

During the Financial Year 2017-2018, the Committee met one time viz. on March 15, 2018.

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:**

➤ The Composition of Board of Directors and the details of Key Managerial Personnel for the Financial Year 2017-2018 are as follows:

Sr. No.	Name of the Person	Category	With effect from and Tenure
1	Mr. Richard F Theknath	Managing Director & Key Managerial Personnel	20.06.2016 – for a period of 5 years
2	Mr. Dax F Theknath	Whole-Time Director & Key Managerial Personnel	20.06.2016 – for a period of 5 years
3	Mrs. Agnes F Theknath	Non -Executive Director	26.09.2012
4	Mr. Nikhil Sunil Arya	Independent Director	25.07.2016 – for a period of 5 years.
5	Mr. Cypriano Savio Fernandes	Independent Director	29.05.2017- for a period of 5 years.
6	Mr. Pankaj Gupta Kumar	Independent Director	Resigned wef 15.06.2017.
7	Mr. Jabir S Contractor	Chief Financial Officer (Key Managerial Personnel)	25.07.2016 – for a period of 5 years.
8	Ms. Shraddha P Mehta	Company Secretary & Compliance Officer (Key Managerial Personnel)	19.07.2016
9	Jet Clearing Forwarding & Shipping Agent	Related Party	AACFJ5659A
10	Rex Quality Products Private Limited	Related Party	AAFCC7118P
11	Jet Logistix (OPC) Private Limited	Related Party	AADCJ8246M

➤ **Retire by Rotation:**

Pursuant to the provisions of section 152 of the Companies Act, 2013, the office of Mr. Dax F Theknath, (DIN: 01338030) Director is liable to retire by rotation at this Annual General Meeting, and being eligible, he has offered himself for re-appointment. Accordingly, the proposal for his re-appointment has been included in the Notice convening the Annual General Meeting of the Company.

A brief resume of directors seeking appointment/re-appointment consisting nature of expertise in specific functional areas and name of companies in which they hold directorship and/or membership/ chairmanships of committees of the respective Boards, shareholding and relationship between directorship inter-se as stipulated under Reg. 36(3) of the SEBI (LODR) Regulations, 2015, are given in the section of notice of AGM forming part of the Annual Report.

➤ **Cessation:**

Mr. Pankaj Gupta Kumar stepped down as Independent Director of the Company with effect from 15.06.2017.

The Board expresses its gratitude towards Mr. Pankaj Gupta Kumar for his contributions to the Company. The Board acknowledges that the Company has immensely benefitted from his financial knowledge and experience. The Board deeply appreciates Mr. Pankaj Gupta Kumar invaluable dedication and support during his period with the Company.

➤ **Appointment:**

Based on the recommendations of the NRC, the Board of Directors appointed Mr. Cypriano Savio Fernandes as Independent Director for a period of 5 years with effect from May 29, 2017 alongwith the approval of the shareholders at their Annual General Meeting held on August 12, 2017.

**COMMITTEES OF THE BOARD:**

**I. The Board has constituted various committees in accordance with the provisions of the Companies Act, 2013, the details of which are given as under:**

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholders Relationship Committee,
4. Corporate Social Responsibility Committee.

**1. Audit Committee :**

The Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013, vide resolution passed in the meeting of the Board of Directors held on July 25, 2016.

The committee presently comprises the following three (3) directors:

**Composition of Audit Committee:**

Name of the Director	Status	Nature of Directorship
Mr. Cypriano Savio Fernandes	Chairman	Independent Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & Independent Director
Mrs. Agnes Francis Theknath	Member	Non-Executive Director

**The term of reference of Audit Committee includes:**

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible,
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company,
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process,
- Scrutiny of related party transactions and inter-corporate loans and investments,
- Reviewing the adequacy of internal audit function
- Reviewing with the management, the annual financial statements and auditor's report thereon before the same are forwarded to the board for approval, with primary focus on;
  - i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013,
  - ii. Changes, if any, in accounting policies and practices and reasons for the same,
  - iii. Significant adjustments made in the financial statements arising out of audit findings,

- iv. Disclosure of any related party transactions,
- v. Modified opinion(s) in the draft audit report.

During the Financial Year 2017-2018, the Audit Committee of the Board of Directors met Five times viz. on 26.04.2017, 29.05.2017, 05.10.2017, 13.11.2017, 27.03.2018.

## 2. Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 was approved by a Meeting of the Board of Directors held on July 25, 2016.

The Board has framed the Nomination & Remuneration Committee which ensures effective compliances as mentioned in section 178 of the Companies Act 2013. The defined terms of reference for the Nomination & Remuneration Committee are as follows;

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees of the Company;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors of the Company;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### Composition of Nomination and Remuneration Committee:

Name of the Director	Status	Nature of Directorship
Mr. Cypriano Savio Fernandes	Chairman	Independent Director
Mrs. Agnes Francis Theknath	Member	Non-Executive Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & Independent Director

During the Financial Year 2017-2018, the Nomination and Remuneration Committee of the Board of Directors met Two times viz. on 29.05.2017 and 27.03.2018.

## 3. Stakeholders Relationship Committee

The Company has constituted a Stakeholder's Relationship Committee to redress the complaints of the shareholders. The Stakeholder's Relationship Committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 vide resolution passed at the meeting of the Board of Directors held on October 23, 2016.

### Composition of Stakeholder's Relationship Committee:

Name of the Director	Status	Nature of Directorship
Mrs. Agnes Francis Theknath	Chairperson	Non-Executive Director
Mr. Cypriano Savio Fernandes	Member	Independent Director
Mr. Dax Francis Theknath	Member	Whole-Time Director

The Stakeholder's Relationship Committee shall oversee all matters pertaining to investors of our Company.

The Committee had delegated the power of Share Transfer to Registrar and Transfer Agent, who processes the transfers. The Committee also considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends and looks after the performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

During the Financial Year 2017-2018, the Stakeholder's Relationship Committee of the Board of Directors met Two times viz. on 29.05.2017 and 13.11.2017.

## 4. Corporate Social Responsibility Committee:

The Company has constituted a Corporate Social Responsibility (CSR) Committee, as per the provisions of Section 135 of the Companies Act, 2013, vide resolution passed in the meeting of the Board of Directors held on February 28, 2018.

The committee presently comprises the following three (3) directors:

**Composition of CSR Committee:**

Name of the Director	Status	Nature of Directorship
Mr. Dax Francis Theknath	Chairman	Whole-Time Director
Mr. Cypriano Savio Fernandes	Member	Independent Director
Mr. Nikhil Sunil Arya	Member	Independent Director

**The term of reference of CSR Committee includes:**

- Formulate CSR policy, inter-alia in compliance with section 135 of the Companies Act, 2013 and schedule VII thereof and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and any other applicable provisions, as prescribed and amended from time to time.
- Identify and recommend to the Board, from time to time, the activities/ projects in line with such CSR policy.
- Recommend to the Board an amount of expenditure to be incurred on the activities as per CSR Policy.
- Put and institute the transparent monitoring mechanism to review the implementation status of each activities/ project.
- Recommend to the Board, modifications to the CSR policy as and when required.
- Formulate a CSR Management Committee, if required to monitor the approved CSR activities, spending thereon from time to time with a robust and transparent governance structure to oversee the implementation of CSR Policy.
- Monitor the compliance of Corporate Social Responsibility Policy from time to time.”

During the Financial Year 2017-2018, the Corporate Social Responsibility Committee of the Board of Directors met once viz. on 15.03.2018.

**II. The Board constitutes additional functional committees, from time to time, depending upon the business needs.**

**MATERIAL CHANGES BETWEEN END OF FINANCIAL YEAR AND THE DATE OF THE BOARDS REPORT:**

The following activities have been carried out by the Company from the end of the Financial Year till the date of signing of the Directors Report affecting the financial position of the Company detailed as under -:

▪ **INCORPORATION OF WOS IN DUBAI:**

The Company incorporated Wholly Owned Subsidiary named as Jet Freight Logistics FZCO in Dubai Airport Freezone (DAFZA) to undertake the activity of Air Cargo Services. The Declared Share Capital would be AED Ten thousand (AED 10,000/-) divided into Ten shares of AED Thousand (AED 1000/- each) of that WOS Company.

▪ **AVAILMENT OF ADDITIONAL WORKING CAPITAL FACILITY FROM STATE BANK OF INDIA :**

The company has gone for multi banking arrangement in view of its increase working capital requirements. In line with that additional facility of Rs. 9.90 CR has been sanctioned by State Bank of India. This would help the company in funding its future growth.

▪ **CHA LICENSE:**

The Company would start using the License under the name of “Jet Freight Logistix (OPC) Private Limited issued on 02.05.2018. This would hence result in savings of cost in terms of CHA activities in future.

**VIGIL MECHANISM:**

A fraud and corruption free environment in a company is the objective and in view of that, a Vigil Mechanism (Whistle Blower) Policy has been adopted by the Board for directors and employees, which is uploaded on the website of the company www.jetfreight.in pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. During the year, the Company received 1 whistle-blower complaint which was investigated and appropriate action was taken.

**EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:**

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is annexed herewith in **Annexure-A**.

**SUBSIDIARY COMPANY:**

As on March 31, 2018, there were no subsidiaries of the company, hence this clause is not applicable.

**REGISTERED OFFICE:**

In terms of the provisions of section 12 of the Companies Act, 2013 and the rules made thereunder, the registered office of the Company shifted to its corporate office-C/706, Pramukh Plaza, Opp. Holy Family Church, Chakala, Andheri East, Mumbai-400099 with effect from November 13, 2017.

## **STATUTORY AUDITOR.**

At the AGM of the company held on 30<sup>th</sup> September 2014, M/s. S. C. Mehra & Associates., Chartered Accountants, Statutory Auditors of the Company having registration number (ICAI Firm Registration No. 106156W, were appointed for a term of five years i.e. till the conclusion of 13<sup>th</sup> Annual General Meeting.

M/s. S. C. Mehra & Associates has audited the book of accounts of the Company for the Financial Year ended March 31, 2018 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers in the said Report. In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017 notified on May 07, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement.

Accordingly, the Notice convening the ensuing AGM does not carry any resolution on ratification of appointment of Statutory Auditors. However, M/s. S. C. Mehra & Associates has confirmed that they are eligible to continue as Statutory Auditors of the Company to audit the books of accounts of the Company for the Financial Year ending March 31, 2019 and accordingly M/s. S. C. Mehra & Associates will continue to be the Statutory Auditors of the Company for the Financial Year ending March 31, 2019.

## **AUDITORS'S REPORT:**

The report of the Statutory Auditors on Standalone Financial Statements forms a part of the Annual Report. There are no specifications, reservations, adverse remarks on disclosure by the Statutory Auditors in their report. They have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

## **SECRETARIAL AUDITOR:**

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form. The Board appointed Parikh & Associates, practicing Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2017-18 and their report is annexed to this report as '**Annexure-B**'.

There are no qualifications or reservations or adverse remarks or disclaimers in the said Report.

The Board has also appointed Parikh & Associates as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2018-19.

## **INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS**

The Company has adequate financial control procedure commensurate with its size and nature of business. These controls include well defined policies, guidelines, standard operating procedure, authorization and approval procedures. The internal financial control of the company are adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets, and that the business is conducted in an orderly and efficient manner.

## **DEPOSITS:**

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2018. Hence, there were no unclaimed or unpaid deposits as on March 31, 2018.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year under review, there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **NUMBER OF MEETING OF THE BOARD:**

During the Financial Year 2017-2018, the Board of Directors met six times viz. on 29.05.2017, 04.08.2017, 13.09.2017, 13.11.2017, 28.02.2018 and 27.03.2018.

## **THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE FINANCIAL YEAR 2017-2018:**

The Company does not have any Subsidiaries, Joint Ventures or Associate companies during the financial year 2017-2018.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed along with proper explanation relating to material departures;

- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit and loss of the company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **RISK MANAGEMENT:**

The Company has developed and implemented a Risk Management Policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by our Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

#### **A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF THE COMPANIES ACT, 2013:**

The Company has received necessary declarations from Mr. Nikhil Sunil Arya and Mr. Cypriano Savio Fernandes, Independent Directors of the company pursuant to the requirement of section 149(7) of the Companies Act 2013, that they fulfill the criteria of independence laid down in section 149(6) of the Companies Act 2013.

#### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

A policy known as "Appointment criteria for Directors & Senior Management and their Remuneration Policy" approved by the Nomination and Remuneration Committee and Board is followed by the Company on remuneration of Directors and Senior Management employees as required under Section 178(3) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Policy aims at attracting and retaining high caliber personnel from diverse educational fields and with varied experience to serve on the Board for guiding the Management team to enhanced organizational performance.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 amended from time to time, are forming part of the notes to the financial statements provided in this Annual Report.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:**

The particulars of material contracts or arrangements made with related parties referred to in section 188(1) of the Companies Act 2013, in the prescribed form AOC-2 is appended as 'Annexure D' to the Boards' Report.

#### **PARTICULARS OF EMPLOYEE:**

Details in terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration) Rules 2014, the names and other particulars of the employee are appended as 'Annexure E' to the Boards' Report.

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as 'Annexure E' and forms part of this Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is given below:

**A. Conservation of Energy:**

**i) The steps taken or impact on conservation of energy:**

The operations of the Company do not involve high energy consumption. However, the Company has for many years now been laying great emphasis on the Conservation of Energy and has taken several measures including regular monitoring of consumption, implementation of viable energy saving proposals, improved maintenance of systems etc.

**ii) The steps taken by the Company for utilizing alternate sources of energy: Nil**

**iii) The capital investment on energy conservation equipments: Nil**

**B. Technology Absorption:**

**i) The efforts made towards technology absorption : Nil**

**ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Nil**

**iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):**

- |   |   |     |
|---|---|-----|
| <ul style="list-style-type: none"> <li>a) the details of technology</li> <li>b) the year of Import</li> <li>c) whether the technology been fully absorbed</li> <li>d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action</li> </ul> | } | Nil |
|---|---|-----|

**iv) The expenditure incurred on Research and Development during the year included in the manufacturing cost.- Nil**

**C. Foreign Exchange Earnings and Outgo:**

(Figures in Rupees)

Particulars	2017-18	2016-2017
Foreign Exchange Earnings	83,36,368	46,00,301
Foreign Exchange outgo	59,18,352	88,92,344

**FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Pursuant to Section 134(3) read with Rule 8(4) of the Companies (Account) Rules, 2014 & Section 178(2) of the Companies Act, 2013, a formal annual evaluation needs to be conducted by the Board of its own performance and that of its committees and individual directors. Schedule IV to the Companies Act 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Board based on evaluation criteria recommended by the 'Nomination and Remuneration Committee' and 'Code for Independent Directors' evaluated the performance of Board members.

The Board after due discussion and taking into consideration of the various aspects such as Knowledge and skills, Competency, Financial literacy, Attendance at the Meeting, Responsibility towards the Board, Qualifications, Experience, Fulfillment of functions assigned to him, Ability to function as a team, Initiative Availability & Attendance, Commitment, Contribution; expressed their satisfaction with the evaluation process and performance of the Board.

**DISCLOSURES UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has been employing women employees in various cadres within its Registered Office and its Branches. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committees is set up to redress complaints if received and are monitored on regular basis. During the year under review, the Company did not receive any complaint regarding sexual harassment.

**REVIEW OF A STATEMENT ON THE USAGE OF THE PROCEEDS OF THE ISSUE:**

Pursuant to Reg. 32 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Our Company have submitted the below statement on half yearly basis to National Stock Exchange of India Limited (NSEIL) after reviewing it in Audit Committee, indicating utilization of the proceeds of the preferential issue.

The statement below, indicates that the issue proceeds have been fully utilized and the purposes for which these proceeds were raised has been achieved. The Objects of the Issue in terms of the Letter of Offer filed, is to meet the Working Capital Requirements. The proceeds of the issue has not been used for the purposes or objects other than those mentioned in the offer document or prospectus of the company.

(Amount in Rupees)

Particulars	Amount
Amount Received as Proceeds of the Preferential Issue	2,80,00,000
Less: Usage of the balance proceeds for the purpose of Working Capital for the period 08.09.2017 (Date of the proceeds getting credited into the Bank Account) to 30.09.2017 (First half of the Financial Year)	1,20,00,000
Proceeds Balance	1,60,00,000
<b>Less: Usage of the balance proceeds for the purpose of Working Capital for the period 01.10.2017 to 31.03.2018 (Second half of the Financial Year)</b>	<b>1,60,00,000</b>
Proceeds Balance	Nil

**SECRETARIAL STANDARDS:**

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively

**AWARDS & ACHIEVEMENTS:**

Your Company has a long list of Awards and Recognition from the Airlines during its long legacy of three decades. The Company has been felicitated at various forums by valuable stakeholders in the business. To highlight a few of its achievements during the Financial Year 2017-18, a list is as given below:

Sr. No.	Airline	Awarded for	Year
1	Air-India Cargo	Certificate of Excellence (International), Western Region	2017
2	Air-India	Award of Excellence, International Cargo In recognition of exceptional performance.	2017
3	ISFP {Indian Society of Floriculture Professionals}	Excellent Contribution to the Sector	2017
4	Oman Air Cargo	Certificate of Appreciation	2017
5	The Stat Tradetimes	International Award for Excellence in Air Cargo Freight Forwarder of the Year Region-India	2018

Given below is the list of few of our esteemed business partners with whom the business volumes have increased as compared to previous year.

Airline	FY 2017-2018 (tonnes)	FY 2016-2017 (tonnes)	Growth in Volumes
Jet Airways	15222	8916	70.73%
Air India Ltd.	6484	6408	1.19%
Saudi	2958	2902	1.93%

**IMPACT ANALYSIS OF MAJOR EVENTS DURING THE YEAR ON THE COMPANY PERFORMANCE:**

- CONSEQUENCE OF INTRODUCTION OF GST :**

During the F/Y 2017-18 government came out with a revolutionary reform under indirect taxation with the introduction of GST. With the introduction of GST on Air freight @18% whereas fully exempted under erstwhile Day Sales Outstanding (DSO) Service Tax regime, affected the company's business adversely. The working capital cycle of the company got stretched due to non-receipt of GST refund by the exporters who in turn delayed payment to the company. With due co-operation from the bankers the tight liquidity situation of the company could be managed. However the company ended up with increased DSO as compared to previous financial year. Consequently financing cost also increased to managed the elongated working capital cycle.

However vide notification the GST council withdrew the GST on air freight till September, 2018 and its further levy shall be decided thereafter.

- GLOBAL CRISIS IN TERMS OF SPIKE IN OIL PRICES AND CURRENCY DEPRCIATION:**

The fall in the oil prices in the previous year and a weak dollar in F/Y 2017-18 got reversed and as result of this it became head wind for the industry as against the same being tail wind in the previous year.

- **FUTURE BUSINESS PROSPECTS:**

The approx. market size of Air Cargo industry in India is 2.6 MN tonnes. Further India's air cargo industry is expected to handle 2.8 MN tons of cargo by 2018-19 with CAGR of 5.5 %. The Government of India has announced 100% tax exemption for airport projects for next 10 years and this would give substantial boost to development of airports in Tier II and Tier III cities.

As per the study, International air cargo traffic is expected to grow at an average rate of 4.7% YoY over the next two decades.

The general expectation is that in the short term, the outlook for air freight over the next five years will be supported by a brighter economic and trade backdrop than what was seen between 2012 and 2017. Having accelerated in 2017, global GDP growth is expected to remain relatively robust over the next five years.

The International Monetary Fund (IMF) forecasts real GDP growth to average 3.1 percent between 2018 and 2022, compared with 2.8 percent during the previous five years. Global goods trade is also forecast to grow more quickly than it did in the 2012 to 2017 period, with the IMF forecasting global goods trade growth to average 3.9 percent between 2018 and 2022, up from 3.1 percent

- **THE RISE OF E-COMMERCE**

Traditional freight traffic continues to make up the bulk of freight transported by air; and while this remains subdued, there's growth in other segments of the air freight industry. One of these areas is e-commerce, which includes the sales of goods and services through the Internet via any device regardless of the method of payment or fulfillment (e-commerce excludes travel and event ticket sales over the Internet). Strong consumer demand and buying habits are mitigating some of the negative effects of the recent industrial recession and slowing international trade, with e-commerce becoming a growing driver of the air cargo industry.

Distributing all of these vastly different products overnight or within two-day time frames is forcing many air cargo companies to adapt to a new business model. Success in this sector hinges not only on the ability to adjust to changing customer requirements but also to compete effectively with customers that rely on the significant belly space of wide body passenger fleets.

The air cargo segment is a wide-ranging industry with various types of operators, each filling a particular niche of freight demand. As the market changes with less international trade and more regional delivery, these niches may evolve as well.

Your Company has also taken a leap into domestic freight forwarding in view of the increase demand of logistics by the e-commerce companies in India. E-commerce trade is growing exponentially in India and with the kind of demand generated by e-commerce companies there exists a lot of space for the freight forwarders to add value by being their valued service providers.

With the Government of India (GOI) open sky policy, many private airlines have forayed into the Aviation industry and the existing airlines are also increasing their fleet size to accommodate the passenger air traffic growth in India. With the increase in the number of regional air ports under the Regional Connectivity Scheme (RCS) scheme of GOI and the Ude Desh ka Aam Naagrik (UDAN) policy implemented by the Government we would witness the jump in the air travel industry growth. Even foreign airlines are eyeing stake in the Indian aviation industry in order to reap the benefit of growth in future. This is an encouraging sign of growth for our company.

## **ACKNOWLEDGEMENTS**

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, Bankers to the Company, the Airlines, customer, its employees/consultants for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors  
For **JET FREIGHT LOGISTICS LIMITED**

Place: **MUMBAI**  
Dated: **29.05.2018**

**Richard Theknath**  
Managing Director  
DIN : **01337478**

**Dax Theknath**  
Whole-time Director  
DIN: **01338030**

## ANNEXURE-A

## Form No. MGT-9:

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018.

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L63090MH2006PLC161114
ii.	Registration Date	13.04.2006
iii.	Name of the Company	<b>Jet Freight Logistics Limited</b>
iv.	Category Sub-Category of the Company	Company Limited By Shares Indian Non-Government Company (Public Listed Company)
v.	Address of the Registered office of the and contact details	C/706, Pramukh Plaza, Cardinal Gracious Road, Opp. Holy Family Church, Chakala, Andheri East, Mumbai-400099. Phone No. +91 22 61043700
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited, 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant oasis apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai – 400059. Phone: +91 022 – 62638200

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Freight air transport	5120	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	NOT APPLICABLE				

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year- 01.04.2017				No. of Shares held at the end of the year- 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
• <b>Indian</b>									
a) Individual/ HUF	3998473	Nil	3998473	73.36	3998473	Nil	3998473	68.93	(4.43)*
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total(A)(1)</b>	<b>3998473</b>	<b>Nil</b>	<b>3998473</b>	<b>73.36</b>	<b>3998473</b>	<b>Nil</b>	<b>3998473</b>	<b>68.93</b>	<b>(4.43)*</b>
• <b>Foreign</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year- 01.04.2017				No. of Shares held at the end of the year- 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
k) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total(A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoters (1+2)	3998473	Nil	3998473	73.36	3998473	Nil	3998473	68.93	(4.43)
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total(B)(1)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>2. Non Institutions</b>									
a) Bodies Corp.									
(i) Indian	199000	Nil	199000	3.65	72000	Nil	72000	1.24	(2.41)
(ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	589804	Nil	589804	10.82	486000	Nil	486000	8.38	(2.44)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	632000	Nil	632000	11.60	1090000	Nil	1090000	18.79	6.19
c) Clearing Members	31196	Nil	31196	0.57	148000	Nil	148000	2.55	1.98
d) Others (Non Resident Indians)	Nil	Nil	Nil	Nil	6000	Nil	6000	0.11	0.10
<b>Sub-total(B)(2)</b>	1452000	Nil	1452000	26.64	1802000	Nil	1802000	31.07	4.43
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	1452000	Nil	1452000	26.64	1802000	Nil	1802000	31.07	4.43
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	5450473	Nil	5450473	100	5800473	Nil	5800473	100	

\* The Company issued 3,50,000 equity shares of Rs. 10/- each at a price of Rs. 80/- per equity share (including a share premium of Rs. 70/- per equity share) aggregating to Rs. 2,80,00,000 (Two Crores Eighty Lakhs Only) on preferential basis by approving in the Board Meeting held on August 04, 2017 & in the Extra-Ordinary general Meeting Held on August 31, 2017 due to which the percentage of the shares of individual promoters has been diluted.

ii. **Shareholding of Promoters (including Promoter Group):**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Richard F. Theknath	1309147	24.02	Nil	1309147	22.57	Nil	(1.45)
2.	Dax F. Theknath	1192000	21.87	Nil	1192000	20.55	Nil	(1.32)
3.	Agnes F. Theknath	1497321	27.47	Nil	1497321	25.81	17.09	(1.66)
4.	Arlene R. Theknath	2	0	Nil	2	0	Nil	NA
5.	Christina D. Theknath	1	0	Nil	1	0	Nil	NA
6.	Elizabeth Muriel Dias	1	0	Nil	1	0	Nil	NA
7.	Achama Coutinho	1	0	Nil	1	0	Nil	NA

iii. **Change in Promoters' Share holding (please specify, if there is no change):**

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	3998473	73.36	3998473	68.93
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	The Company issued 3,50,000 equity shares of Rs. 10/- each at a price of Rs. 80/- per equity share (including a share premium of Rs. 70/- per equity share) aggregating to Rs. 2,80,00,000 on preferential basis and hence the percentage of the shares of promoters has been diluted			
3.	At the End of the year	3998473	68.93	3998473	68.93

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):**

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MUKUL AGRAWAL	--	--	300000	5.17	300000	5.17
2	MUKUL AGRAWAL	--	--	212000	3.65	212000	3.65
3	SWAPNEEL A SHAH	--	--	50000	0.86	50000	0.86
4	JM FINANCIAL SERVICES LTD.	--	--	50000	0.86	50000	0.86
5	INDIANIVESH SECURITIES LIMITED	--	--	40000	0.69	40000	0.69
6	FE SECURITIES PVT LTD	--	--	36000	0.62	36000	0.62
7	VINOD SOMANI	112000	2.05	24000	0.41	24000	0.41
8	NIDHI BIYANI	84000	1.84	60000	1.03	60000	1.03
9	RASHMI AGARWAL	64000	1.17	64000	1.10	64000	1.10
10	LAXMI KANT BIYANI	52000	0.95	52000	0.90	52000	0.90

Note: The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

The above information is based on weekly beneficiary position received from Depositories.

**v. Shareholding of Directors & Key Managerial Personnel:**

Sl. No	Name of shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>Mr. Richard F Theknath</b> Managing Director	<b>1309147</b>	<b>24.02</b>	<b>1309147</b>	22.57
2	<b>Mr. Dax F Theknath</b> Whole-time Director	<b>1192000</b>	<b>21.87</b>	<b>1192000</b>	20.55
3	<b>Mrs. Agnes F Theknath</b> Non-Executive Director	<b>1497321</b>	<b>27.47</b>	<b>1497321</b>	25.81

Note: Except above stated, none of the other Director and KMP hold any shares in the Company as on 31.03.2018.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	44670614	Nil	Nil	44670614
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>44670614</b>	<b>Nil</b>	<b>Nil</b>	<b>44670614</b>
Change in Indebtedness during the financial year				
- Addition	36028800	8258184	Nil	44286984
- Reduction	8404376	--	Nil	8404376
<b>Net Change</b>	<b>27624424</b>	<b>8258184</b>	<b>Nil</b>	<b>35882608</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	72295038	8258184	Nil	80553222
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>72295038</b>	<b>8258184</b>	<b>Nil</b>	<b>80553222</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Whole-time Directors, Manager, Key Managerial Personnel:**

Sl. No.	Particulars of Remuneration	Managing Director	Whole-Time Director	Chief Financial Officer	Company Secretary	Total Amount
		Richard Theknath	Dax Theknath	Jabir Contractor	Shraddha Mehta	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10800000	6000000	1800014	480600	19080614
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961.	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0

Sl. No.	Particulars of Remuneration	Managing Director	Whole-Time Director	Chief Financial Officer	Company Secretary	Total Amount
4	Commission - as %of profit - others, specify	0	0	0	0	0
5	Others, please specify	0	0	0	0	0
	<b>Total(A)</b>	<b>10800000</b>	<b>6000000</b>	<b>1800014</b>	<b>480600</b>	<b>19080614</b>
	Ceiling as per the Act	Within Schedule V of the Act	Within Schedule V of the Act	--	--	

**B Remuneration to other Directors:**

Particulars of Remuneration	Name of Independent Directors			Total Amount
	Nikhil Arya	Cypriano Savio Fernandes <sup>1</sup>	Pankaj Kumar Gupta <sup>2</sup>	
Fee for attending board committee meetings	54,000	611105	15000	680105
.Commission	0	0	0	0
.Others, please specify	0	0	0	0
<b>Total(1)</b>	<b>54,000</b>	<b>611105</b>	<b>15000</b>	<b>680105</b>
<u>Other Non-Executive Directors</u>	0	0	0	0
.Fee for attending board committee meetings				
.Commission	0	0	0	0
.Others, please specify	0	0	0	0
<b>Total(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total(B)=(1+2)</b>	<b>54,000</b>	<b>611105</b>	<b>15000</b>	<b>680105</b>

1. Mr. Cypriano Savio Fernandes was paid sitting fees after his appointment in the Board Meeting held on 29.05.2017 during the Financial Year 2017-18.
2. Mr. Pankaj Kumar Gupta resigned wef 15.06.2017.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:- NONE**

**RICHARD THEKNATH**  
MANAGING DIRECTOR  
DIN: **01337478**

**DAX THEKNATH**  
WHOLE-TIME DIRECTOR  
DIN: **01338030**

Place : Mumbai,  
Date : 29.05.2018

## **FORM No. MR-3**

### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
Jet Freight Logistics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jet Freight Logistics Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company is listed on the SME Emerge Platform of National Stock Exchange of India Ltd (NSE).

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely;
  - 1. Customs Act, 1962.
  - 2. The Carriage by Air Act, 1972.
  - 3. The Multimodal Transportation of Goods Act, 1993.

4. International Air Transport Association, 1945.

5. IATA Dangerous Goods Regulations

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with NSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events occurred during the year which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc referred to above:

1. The Company issued 3,50,000 equity shares of Rs. 10/- each at a price of Rs. 80/- per equity share (including a share premium of Rs. 70/- per equity share) aggregating to Rs. 2,80,00,000 (Two Crores Eighty Lakhs Only) on preferential basis by approving in the Board Meeting held on August 04, 2017 & in the Extra-Ordinary general Meeting Held on August 31, 2017.

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: 29.05.2018

Signature:  
Jigyasa N. Ved  
Partner  
FCS No:6488 CP No:6018

*This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.*

'Annexure A'

To,  
The Members  
Jet Freight Logistics Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates**  
Company Secretaries

Signature:  
Jigyasa N. Ved  
Partner  
FCS No:6488 CP No:6018

Place: Mumbai  
Date: 29.05.2018

## Annual Report on Corporate Social Responsibility Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Overview of the Corporate Social Responsibility ('CSR') Policy:

Our CSR Policy ('Policy') was adopted via resolution No. 01/2017-2018 passed by circulation by the Members of the Board on March 19, 2018 in terms of provisions of section 175 of the Companies Act, 2013 which was subsequently ratified by the Board of Directors at their Meeting held on March 27, 2018. The Policy is available on the Company's website www.jetfreight.in. The guidelines for our CSR activities are outlined in the Policy. Our CSR activities focuses on initiatives such as gender equality, education, aiding pregnant women.

### 2. Composition of CSR Committee:

To guide the CSR activities of the Company, we have in place a Corporate Social Responsibility Committee that comprises of:

Name of the Director	Status	Nature of Directorship
Mr. Dax Francis Theknath	Chairman	Whole-Time Director
Mr. Cypriano Savio Fernandes	Member	Independent Director
Mr. Nikhil Sunil Arya	Member	Independent Director

### 3. Financial Details:

Particulars	Amount (Rs. in lakhs)
Average net profit of the Company for last three financial years	293.30
Prescribed CSR expenditure (2% of the average net profits)	5.86
<b>Details of CSR spent during the financial year:</b>	
(a) Total amount to be spent for the financial year	5.86
(b) Amount spent	5.86
(c) Amount unspent, if any	--

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Location of project/ activity (District & State)	Amount outlay	Amount spent on the projects or programs during Direct or overheads	Cumulative expenditure upto current reporting period	Amount spent: Direct or through implementing agency
1	Gender equality, education, aiding pregnant women	Promoting gender equality, empowering women	Mumbai in the state of Maharashtra	Rs. 586,603	Rs. 586,603 (Direct)	Rs. 586,603	Direct

### 4. Responsibility Statement:

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the Corporate Social Responsibility Committee monitors the implementation of CSR activities in compliance with the CSR objectives and CSR Policy of the Company.

sd/-

**DAX FRANCIS THEKNATH**  
Chairman of CSR Committee  
DIN: 01338030

Place: Mumbai

Date: May 29, 2018

sd/-

**RICHARD FRANCIS THEKNATH**  
Managing Director  
DIN: 01337478

## Form AOC-2

**Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis:**

SN	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
<b>Not Applicable</b>								

**2. Details of material contracts or arrangements or transactions at Arm's length basis:**

SN	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Mr. Richard F Theknath (Director of the Company)	Availing of the CHA services. (Custom Housing Agency)	July 2017- March 2018	NIL	30.03.2017	NIL
2	Rex Quality Products Private Limited (A private company in which a Director is a Director)	Rendering of services of Freight Forwarding	April 2017-March 2018	Nil	30.03.2017	Nil
3	Jet Logistix (OPC) Private Limited (A private company in which a Director is a Director)	Leasing of property of any kind	(December 2017 to March 2018)	Monthly Rent: 7,000 p.m.	13.11.2017	Nil
4	Rex Quality Products Private Limited (A private company in which a Director is a Director)	Leasing of property of any kind	(December 2017 to March 2018)	Monthly Rent: 7,000 p.m.	13.11.2017	Nil
5	Mrs. Agnes Francis Theknath	Buying property of any kind	April- July 2018	Based on the MOU executed between the Company & Mrs. Agnes Francis Theknath	27.03.2018	1,32,09,578

Note: The Details mentioned in serial no. 1, 2 are at arm's length and in ordinary course of business & serial no. 3, 4, 5 are at arm's length but not in ordinary course of business as per Section 188 of the Companies Act, 2013 and the rules made thereunder.

For and on behalf of the Board of Directors

**For JET FREIGHT LOGISTICS LIMITED**

**Place: MUMBAI**  
**Dated: 29.05.2018**

**Richard Theknath**  
**Managing Director**

**Dax Theknath**  
**Whole-time Director**

## PARTICULARS OF EMPLOYEES AND RELATED DETAILS

**[Pursuant to section 197(12) of the Companies Act 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]**

The ratio of the remuneration of each director/KMP to the median employee's remuneration of the Company for the Financial Year:

No.	Requirements	Disclosures	
1	The ratio of remuneration of each Director to the Median remuneration of employees for the financial year	<b>Name of the Director &amp; Designation</b>	<b>Ratio to Median</b>
		Mr. Richard F Theknath, Managing Director (MD)	36.81:1
		Mr. Dax F Theknath, Whole-Time Director (WTD)	20.45:1
		Mrs. Agnes F Theknath, Non-Executive Director	Nil
		Mr. Nikhil S Arya, Independent Director appointed	Nil
		Mr. Cypriano Savio Fernandes, Independent Director appointed wef 12.08.2017	2.08:1
2	Percentage increase in Remuneration of each director CFO, CEO, CS in the Financial Year	<b>Name &amp; Designation</b>	<b>% increase in Remuneration</b>
		Mr. Richard F Theknath, Managing Director (MD)	55.86 % wef 01.04.2017
		Mr. Dax F Theknath, Whole-Time Director (WTD)	63.80 % wef 01.04.2017
		Mr. Jabir S Contractor, Chief Financial Officer (CFO)	N.A.*
		Ms. Shraddha P Mehta, Company Secretary & Compliance Officer (CS)	N.A.*
3	The Percentage increase in the median remuneration of employees in the financial year	In the Financial year, there was an increase of 9.70% in the median remuneration of employees	
4	The Number of permanent employees on the rolls of the Company	There were 144 employees as on 31 <sup>st</sup> March, 2018.	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel is around 10.08%, while the average increase in the remuneration of the Key Managerial Personnel is the range of 59.83%.  Increase in remuneration of the Managing Director and Whole-Time Director is decided based on the individual performance, inflation, prevailing industry trends and benchmarks.	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is confirmed that the remuneration is paid as per the remuneration policy of the Company.	

**\*There was an increase in remuneration of Mr. Jabir S Contractor, Chief Financial Officer & Ms. Shraddha P Mehta, Company Secretary & Compliance Officer of the Company within the FY 2016-2017. However, there wasn't any increase in the FY 2017-2018.**

**Note: The provisions of the Section 197(12) of the Companies Act 2013 read with Rules 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is not applicable to the Company.**

For and on behalf of the Board of Directors

**For JET FREIGHT LOGISTICS LIMITED**

Place: MUMBAI  
Dated: 29.05.2018

Richard Theknath  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Overview Of Indian Air Cargo Industry:

India's air cargo industry is expected to handle 2.80 million tons of cargo by 2019, increasing at a compounded annual growth rate (CAGR) of 5.5 per cent mainly due to the relaxation of Foreign Direct Investment (FDI) limits by the government. This growth rate is expected to be maintained in the coming years also.

The government's focus on attracting foreign direct investment has proved to be a major boost for the industry by allowing 100 per cent FDI in existing airports and under automatic routes along with 100 per cent tax exemption for airport projects for the next 10 years, have been major growth drivers.

The government has also various airports across the country for the development of cargo terminals. "Airports located in tier-two and tier-three cities have been identified where common user domestic cargo terminals will be established after checking feasibility.

There are challenges faced by the Indian air cargo market due to the lack of dedicated air cargo warehousing facilities at major airports and restrictions on sanctioning of licenses for operating bonded warehouses.

With increasing trade activities in the Asia-Pacific region, the Indian air cargo industry has the second fastest growth rate in the world, ranking just behind the Middle East. As per the study, international air cargo traffic is expected to grow at an average rate of 4.7 per cent year-on-year over the next two decades.

### 2. Company Business Outlook:

In order to have a more balanced growth amongst the two business divisions i.e perishable and general cargo, greater emphasis is put to promote general cargo business. By doing so, the quantum of general cargo business would be increased whereby we can cater to more organised business i.e. corporate entities with good credit rating which in turn could help us in getting external funding from banks or NBFC.

For a more aggressive growth, the company would definitely require funding from various sources. With the establishment of Dubai operations, the management would consider availing funding in foreign currency by evaluation of all the possible options. This would result in saving in interest cost as foreign currency loan would be available at quite a cheap rate as compared to domestic funding.

Domestic Cargo business which has stabilised now as a division of Jet Freight would be taken to its next level whereby a new company would be incorporated in order to provide more visibility and growth path for that line of business. With robust growth in E-commerce business, there is a good visibility in terms of revenue flows for domestic cargo business.

Further plans of horizontal expansion by way of new branches would be pursued by the management. For capturing higher market share, expansion in Tier II and Tier III cities shall be planned.

Our key assets i.e. Human resources is being acquired and retained in order to ensure that smooth functioning of business happens. Highly experience manpower is being appointed with relevant experience in the industry.

Inorganic growth of business is also something which the management is keen to pursue in days to come. There are loads of good opportunities for consolidation of business, thereby providing the required scale to the existing business.

### 3. Key Risks Identified:

- With the exponential growth in the Aviation Industry and due to liberal government policies, your company expects a lot of additional cargo capacity being put in the market in future years. However, the freight forwarding market is quite fragmented and demand being lagging as compared to supply, your company shall have to face the risk of shrinkage in margin in order to maintain the market share.
- Stretched working capital would be a scenario which the company may have to face due to its diversification strategy. Adequacy of funds for expansion would be the key to future growth.
- Change in the government policies whereby re-imposition of GST would pose a challenge for the company.
- Company's excessive dependence on perishable shipment poses a challenge in terms of concentration of business risk.
- With the diversification in new geographic it is envisaged that consequently political and currency risk would also come into play.

### 4. Risk Mitigation Strategy:

The Board of Directors have a vision to achieve the growth as envisaged in its business plan. Hence to be realistic, adequate arrangements for funds have been made in terms of entering into factoring service for quick realisation of receivables.

Adequate trade credit insurance has been taken from SBI General Insurance Company Limited in order to mitigate credit risk associated with the business.

Multiple banking arrangement is also in our plans in order to keep the business adequately funded. Discussions on Enhancement in the working capital limits is also being explored with the existing bankers in order to keep the business adequately funded.

Skilled Manpower is very crucial for the growth of the company. Hence identification and recruitment of manpower skilled to handle various cargo is pre-requisite for the success of the business. In that direction your company is having proper HR department in place to minimise the attrition rate and the existing manpower is provided with adequate training and grooming by conducting training programmes and sponsoring them for various trade related programmes.

#### **5. Opportunities:**

Better availment of incentives from airlines, an area wherein the company is exploring by giving maximum tonnage to the airlines. This would result directly in improving the operating margin of the business. Hence acquiring bigger market share with horizontal expansion in terms of new branches, better cost management would shield the company's margin from future business risks like GST or any other change in government policies.

There lies a huge opportunity in the domestic cargo business which would facilitate the growth of E-commerce business in India. Capitalising on E-commerce growth, the company envisages a good revenue visibility over the next few years to come.

Company is embarking on the journey of digital platform for procuring order which would in turn facilitate the new business acquisition. It would provide a seamless trade experience to its shippers/exporters by giving them quick quotes with least manual intervention and within the shortest turnaround time, the shipment would get executed.

#### **6. Segment-wise Performance:**

The company operates in a single segment.

#### **7. Internal Control Systems and their adequacy:**

Your Company has a proper adequate internal control system and code of conduct to ensure that all the assets are safe guarded and protected against the loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

The Management reviews the adequacy of the control systems on the monthly basis and on the basis of which our Internal Auditor assesses such control systems. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

#### **8. Discussion on financial performance with respect to operational performance:**

To mitigate the risks factors referred above that impacts the operations of the company, better operating processes, improvement in services and focus on optimization of resource deployment are some of the measures taken to achieve reasonable performance.

#### **9. Material developments in Human Resources/Industrial Relations front, including number of people employed:**

Total 144 number of employees were employed as on March 31, 2018.

For and on behalf of the Board of Directors  
For **JET FREIGHT LOGISTICS LIMITED**

Place: **MUMBAI**  
Dated: **29.05.2018**

**Richard Theknath**  
Managing Director

**Dax Theknath**  
Whole-time Director

## INDEPENDENT AUDITOR'S REPORT

To the Members of Jet Freight Logistics Limited,

### Report on the Financial Statements

1. We have audited the accompanying financial statements of Jet Freight Logistics Limited ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and 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

2. 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 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 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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.
6. 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 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 effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.
7. 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

8. In our opinion and to the best of our information and according to the explanations given to us, the 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, 2018, its profit, and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

9. 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, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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, Statement of Profit and Loss, and 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 and the Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2018, and 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, refer to our separate Report in "Annexure A" to this report;
- (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.

**For S C Mehra & Associates**  
 Firm Registration Number: 106156W  
 Chartered Accountants

**CA S C Mehra**  
 Partner  
 Membership Number 039730

Place: Mumbai  
 Date: May 29, 2018

### **Annexure A to Independent Auditors' Report**

Referred to in paragraph [10(f)] of the Independent Auditors' Report of even date to the members of "Jet Freight Logistics Limited" on the standalone financial statements 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 Act**

1. We have audited the internal financial controls over financial reporting of Jet Freight Logistics Limited) ("the Company") as of March 31, 2018 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**

2. 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 Act.

#### **Auditors' Responsibility**

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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**

6. 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**

7. 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**

8. 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 S C Mehra & Associates**  
Firm Registration Number: 106156W  
Chartered Accountants

**CA S C Mehra**  
Partner  
Membership Number 039730

Place: Mumbai  
Date: May 29, 2018

### **Annexure B to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Jet Freight Logistics Limited on the standalone financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.  
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. 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. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, generally in all cases undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, GST and cess have been regularly deposited with some delay with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, value added tax or GST, which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank. The Company does not have any loans from Government. Further, the Company has not issued any debenture.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material 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. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Niche Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has made preferential allotment of shares during the year under review. The requirement of Section 42 of Companies Act, 2013 have been complied with and the amount raised has been used for the purpose for which the funds were raised.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For S C Mehra & Associates**

Firm Registration Number: 106156W

Chartered Accountants

**CA S C Mehra**

Partner

Membership Number 039730

Place: Mumbai

Date: May 29, 2018

## Balance Sheet as at March 31, 2018

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Fund</b>			
Share Capital	3	58,004,730	54,504,730
Reserves and Surplus	4	155,788,611	81,339,292
		<b>213,793,341</b>	135,844,022
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	80,553,222	44,670,614
Deferred Tax Liabilities (net)	6	6,392,754	5,785,930
Long-Term Provisions	7	6,911,893	5,463,605
		<b>93,857,869</b>	55,920,149
<b>Current Liabilities</b>			
Short-Term Borrowings	8	204,724,324	119,977,387
Trade Payables	9	174,589,357	148,006,582
Other Current Liabilities	10	61,762,014	120,813,112
Short-Term Provisions	11	2,099,234	241,200
		<b>443,174,929</b>	389,038,281
<b>TOTAL</b>		<b>750,826,139</b>	580,802,452
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b><u>Fixed Assets:</u></b>			
Tangible Assets	12	91,238,615	91,383,167
Intangible Assets		25,970,987	24,822,466
Non-Current Investment	13	20,000	20,000
Long-Term Loans and Advances	14	1,432,930	2,011,582
Other Non-Current Assets	15	40,512,456	65,227,658
		<b>159,174,988</b>	183,464,873
<b>Current Assets</b>			
Trade Receivables	16	574,506,435	355,245,863
Cash and Cash Equivalents	17	8,516,186	22,795,523
Short-Term Loans and Advances	18	8,628,530	19,296,193
		<b>591,651,151</b>	397,337,579
<b>TOTAL</b>		<b>750,826,139</b>	580,802,452

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

**For S C Mehra & Associates**

Chartered Accountants  
Firm No. 106156W

**CA S C Mehra**

Partner  
Membership No. 039730

Place : Mumbai  
Date: May 29, 2018

**For and on behalf of Board of Directors**

**Richard Theknath**  
Managing Director  
DIN No.- 01337478

**Shraddha Mehta**  
Company Secretary

Place : Mumbai  
Date: May 29, 2018

**Dax Theknath**  
Whole-Time Director  
DIN No. - 01338030

**Jabir Contractor**  
Chief Financial Officer

## Statement Of Profit And Loss for the Year Ended March 31st, 2018

(Amount in Rs.)

Particulars	Note No.	Year Ended March 31st, 2018	Year Ended March 31, 2017
<b>Revenue:</b>			
Revenue from Operations	19	2,524,366,113	1,939,501,181
Other Income	20	3,831,759	557,018
<b>Total Revenue</b>		<b>2,528,197,872</b>	<b>1,940,058,199</b>
<b>Expenses:</b>			
Purchases	21	2,292,425,246	1,755,816,662
Employee Benefits Expenses	22	73,666,245	53,158,267
Finance Costs	23	27,444,578	22,671,200
Depreciation and Expenses	12	7,926,405	6,569,396
Other Expenses	24	48,901,845	40,756,652
<b>Total Expenses</b>		<b>2,450,364,319</b>	<b>1,878,972,177</b>
<b>Profit Before Tax</b>		<b>77,833,553</b>	<b>61,086,022</b>
<b>Tax Expenses:</b>			
Current Tax		24,732,952	20,464,048
Deferred Tax		606,824	1,737,986
<b>Profit After Tax</b>		<b>52,493,777</b>	<b>38,883,988</b>
<b>Earnings Per Share (Rs.) [Nominal value per share : Rs. 10/-]</b>	32		
- Basic Earning Per Share		9.31	8.69
- Diluted Earning Per Share		9.31	8.69

The accompanying notes are an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of the even date.

**For S C Mehra & Associates**

Chartered Accountants  
Firm No. 106156W

**CA S C Mehra**

Partner  
Membership No. 039730

**For and on behalf of Board of Directors**

**Richard Theknath**  
Managing Director  
DIN No.- 01337478

**Shraddha Mehta**  
Company Secretary

**Dax Theknath**  
Whole-Time Director  
DIN No. - 01338030

**Jabir Contractor**  
Chief Financial Officer

Place : Mumbai  
Date: May 29, 2018

Place : Mumbai  
Date: May 29, 2018

## Cash Flow Statement For The Year Ended 31st March, 2018

(Amount in Rs.)

NO.	PARTICULARS	For the Year ended March 31st, 2018		For the Year ended March 31, 2017	
<b>A.</b>	<b>Cash Flows From Operating Activities:</b>				
	<b>Profit Before Taxation</b>	77,833,553		61,086,022	
	<b>Adjustments:</b>				
	Depreciation	7,926,405		6,569,396	
	Dividend Income	(300)		(60,300)	
	Finance Charges	27,444,578		22,671,200	
	(Profit) / Loss on Sale of Fixed Assets	(152,948)		(97,660)	
	<b>Operating Profit Before Working Capital Changes</b>	113,051,288		90,168,658	
	<b>Adjustments for Working Capital Changes:</b>				
	(Increase)/Decrease in Trade Receivables	(219,260,572)		(68,368,031)	
	(Increase)/Decrease in Short term Loans & Advances	10,667,662		(5,265,130)	
	(Increase)/Decrease in Other Non-Current Assets	24,715,202		(4,272,240)	
	Increase/(Decrease) in Trade Payables	26,582,775		(13,279,195)	
	Increase/(Decrease) in Other Current Liabilities	(59,051,097)		50,425,314	
	Increase/(Decrease) in Short term provisions	1,858,034		105,076	
	Increase/(Decrease) in Long term Provisions	1,448,288		1,846,533	
	(Increase)/Decrease in Long term Loans & Advances	578,652		919,000	
	Increase/(Decrease) in DTL	606,824		1,737,986	
	<b>Cash Flows From Operations</b>	(98,802,944)		54,017,970	
	<b>Less: Income Tax Paid</b>	26,286,553		30,398,959	
	<b>Net Cash Flows From (Used in) Operating Activities</b>		(125,089,497)		23,619,012
<b>B.</b>	<b>Cash Flows Used in Investing Activities:</b>				
	Purchase of Fixed Assets	(9,377,413)		(59,600,117)	
	Proceeds from Sale of Investments in Equity Shares	-		500,000	
	Proceeds from Sale of Fixed Assets	600,000		876,522	
	Dividend Income	300		60,300	
	<b>Net Cash Flows Used in Investing Activities</b>		(8,777,113)		(58,163,295)
<b>C.</b>	<b>Cash Flow From Financing Activities:</b>				
	Proceeds from Issue of Equity shares	28,000,000		40,656,000	
	Issue Expenses	(1,597,680)		(4,512,103)	
	Secured Loans taken	41,094,000		-	
	Unsecured Borrowings from Directors	8,258,184		-	
	Repayment of Secured loans	(13,469,576)		(7,548,693)	
	Repayment of Loan taken from Directors	-		(16,751,083)	
	Increase/(Decrease) in Short Term Borrowings	84,746,937		47,135,793	
	Finance Charges	(27,444,579)		(22,671,200)	
	<b>Net Cash Flows From Financing Activities</b>		119,587,286		36,308,714
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		(14,279,324)		1,764,431
	<b>Cash and Cash Equivalents at the Beginning</b>		22,795,523		21,031,092
	<b>Cash and Cash Equivalents at the End</b>		8,516,186		22,795,523

AS PER OUR REPORT OF EVEN DATE ATTACHED

**For S C Mehra & Associates**

Chartered Accountants  
Firm No. 106156W

**CA S C Mehra**

Partner  
Membership No. 039730

**For and on behalf of Board of Directors**

**Richard Theknath**  
Managing Director  
DIN No.- 01337478

**Shraddha Mehta**  
Company Secretary

**Dax Theknath**  
Whole-Time Director  
DIN No. - 01338030

**Jabir Contractor**  
Chief Financial Officer

Place : Mumbai  
Date: May 29, 2018

Place : Mumbai  
Date: May 29, 2018

## Notes Forming Part of The Balance Sheet As At March 31, 2018

### Significant Accounting Policies And Notes Forming Part Of Accounts For the Year ended 31st March'2018:-

#### 1 **CORPORATE INFORMATION**

The Jet Freight Logistics Limited ("The Company") is a public limited company. The Company was incorporated in 2006 and status of the Company has been changed from Private Company to Public company with effect from July 16, 2016. The company is primarily engaged in the business of freight Forwarding for handling Perishable, General and time sensitive cargo and handling general and other kinds of cargo.

Jet freight logistics offers wide variety of services to its clients. Apart from Perishable, Time Sensitive and General Cargo, Company's service includes Custom Clearance, Logistics Solution, Shipment of Hazardous cargo and ODC consignments.

#### 2 **SIGNIFICANT ACCOUNTING POLICIES**

##### A **BASIS OF ACCOUNTING**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.

Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956, [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

##### B **USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, reported amounts of revenues and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which such revisions are made.

##### C **REVENUE RECOGNITION**

- (i) Freight Income are recognized on the basis of completion of transport as per contractual terms.
- (ii) Dividend Income is recognised when right to receive the Dividend is established.
- (iii) Interest Income is recognised on accrual basis.

##### D **FIXED ASSETS**

Fixed Assets are stated at cost of acquisition, including any attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation. The cost of fixed asset includes taxes, duties, freight and other incidental expenses related to acquisition and installation of respective asset.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements under the head 'Other current assets'. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost or revalued amount are recognised in the Statement of Profit and Loss.

##### E **DEPRECIATION AND AMORTISATION**

Depreciation is provided on Straight Line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013 over their useful life.

Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.

Individual assets costing less than Rs.5,000 are fully depreciated in the year of purchase.

## **F FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign exchange are accounted at the exchange rate prevailing at the date of such transactions. Gains/Losses arising out of settlement of the foreign currency transaction are accounted for in the Profit and Loss Account.

Monetary items in foreign currency have been restated into Indian Rupees at the rates of exchange prevailing as on the date of the Balance Sheet and the resultant gains/ losses are accounted for in the Profit and Loss Account.

## **G CURRENT AND DEFERRED TAX**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

## **H 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 recognised in the profit and loss account to the extent the carrying amount exceeds recoverable amount.

## **I PRIOR PERIOD ITEMS**

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Items" on the face of statement of Profit and Loss.

## **J RELATED PARTY TRANSACTIONS**

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

## **K EARNING PER SHARE**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 issued by the Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the profit available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed by dividing adjusted net profit by the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

## **L PROVISIONS AND CONTINGENT LIABILITIES**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **M BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue.

## Notes forming part of the Financial Statements

(Amount in Rs.)

NOTE 3 SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Value of Shares	Number of Shares	Value of Shares
Authorized Share capital Equity Shares of Rs. 10/- each.	6,000,000	60,000,000	6,000,000	60,000,000
Issued, subscribed & paid-up capital Equity Shares of Rs.10/- each fully paid-up	5,800,473	58,004,730	5,450,473	54,504,730
<b>TOTAL</b>	<b>5,800,473</b>	<b>58,004,730</b>	<b>5,450,473</b>	<b>54,504,730</b>

Reconciliation of Shares	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Value of Shares	Number of Shares	Value of Shares
<b>Equity Shares of Re.10/- each fully paid-up</b>				
Balance as at beginning of the year	5,450,473	54,504,730	39,984,729	39,984,730
Add : Issue of Equity Shares (Refer note : 3(a) below)	350,000	3,500,000	1,452,000	14,520,000
Less : Consolidation of Equity Shares	-	-	(35,986,256)	-
<b>Balance as at Closing of the year</b>	<b>5,800,473</b>	<b>58,004,730</b>	<b>5,450,473</b>	<b>54,504,730</b>
<b>Balance as at Closing of the year</b>	<b>5,800,473</b>	<b>58,004,730</b>	<b>5,450,473</b>	<b>54,504,730</b>

## Notes

3(a) : The company has also raised the share capital by issuing 3,50,000 (Three Lakhs Fifty Thousand Only) number of equity shares of Face Value Rs.10/- each by way of Preferential Issue . The record date of the Preferential issue was September 13,2017.

List of Shareholders holding more than 5% Equity share capital	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Equity Shares of Re.10/- each fully paid-up</b>				
Richard Theknath	1,309,147	22.57	1,309,147	24.02
Dax Theknath	1,192,000	20.55	1,192,000	21.87
Agnes Teknath	1,497,321	25.81	1,497,321	27.47
Mukul Agrawal (Partner/Beneficial Owner) on behalf of M/s Param Capital	512,000	8.83	-	-

## Terms/ rights attached to Equity Shares :-

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share and equity shares does not have any preferential right towards dividend distribution and in case of liquidation. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

<b>NOTE 4 RESERVES &amp; SURPLUS</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b><u>Surplus in the Statement of Profit &amp; Loss Account</u></b>		
Balance as at beginning of the year	<b>56,619,213</b>	25,932,149
Add: Profit for the year	<b>52,493,777</b>	38,883,988
Less: Income Tax adjustments of prior years	<b>(946,777)</b>	(8,196,924)
Balance as at Closing of the year	<b>108,166,212</b>	56,619,213
<b><u>Securities Premium</u></b>		
Balance as at beginning of the year	<b>24,720,079</b>	3,096,182
Add: Premium on shares issued during the year	<b>24,500,000</b>	26,136,000
Less: Share Issue Expenses	<b>(1,597,680)</b>	(4,512,103)
Balance as at Closing of the year	<b>47,622,399</b>	24,720,079
<b>TOTAL</b>	<b>155,788,611</b>	<b>81,339,292</b>
<b>NOTE 5 LONG TERM BORROWINGS</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Secured</b>		
<u>Term Loan from Banks</u>		
Kotak Mahindra Bank Ltd.	<b>34,806,097</b>	42,338,338
KOTAK MAHINDRA BANK LAP - TL -17706780	<b>35,573,381</b>	-
<u>Vehicle Loans</u>		
HDFC BANK LIMITEDAD-KMB-0000047385472	<b>453,504</b>	420,693
KOTAK MAHINDRA BANK LOAN A/C CF14430448	<b>422,608</b>	-
HDFC Bank Limited - Loan against Innova	<b>130,877</b>	499,633
BMW Financial Services - Loan against BMW	<b>908,571</b>	1,411,950
<b>TOTAL (A)</b>	<b>72,295,038</b>	44,670,614
<b>Unsecured</b>		
(i) From Directors	<b>8,258,184</b>	-
<b>TOTAL (B)</b>	<b>8,258,184</b>	-
<b>TOTAL (A+B)</b>	<b>80,553,222</b>	<b>44,670,614</b>

**(a) Terms of repayment for Secured Term Borrowings including repayable within 1 year of Rs. 1.16 cr.**

<b>Nature of Security</b>	<b>Terms of Repayment</b>
1. Rupee term loan amounting to Rs. 177.81 lacs from Kotak Mahinda Bank secured against the following :- 1) entire present & future currnt assets of the company. 2) Personal properties of Mrs Agnes Theknath (Director).	Repayable in 80 monthly installments. Last installment due in March 2023. Rate of interest 11%.
2. Rupee term loan amounting to Rs. 177.99 lacs from Kotak Mahindra Bank secured against the following:- 1) Entire present & future currnt assets of the company. 2) Personal properties of Mrs Agnes Theknath (Director).	Repayable in 81 monthly installments. Last installment due in April 2023. Rate of interest 11%.
3. Rupee term loan amounting to Rs. 65.22 lacs From Kotak Mahindra Bank secured against the following:- 1) Entire present & future currnt assets of the company. 2) Personal properties of Mrs Agnes Theknath (Director)	Repayable in 77 monthly installments. Last installment due in Dec 2022. Rate of interest 11%.
4. Rupee LAP loan amounting to Rs. 383.63 lacs From Kotak Mahindra Bank secured against the following:- 1) Pramukh Plaza Property has been mortgaged gasint term Loan.	Repayable in 120 monthly installments. Last installment due in May 2027. Rate of interest 11%.

## Notes forming part of the Financial Statements (Contd...)

Nature of Security	Terms of Repayment
5. Rupee Vehicle loan amounting to Rs. 5.23 lacs from Kotak Mahindra Bank Limited is secured against the Honda Car	Repayable in 60 monthly installments. Last installment due in June 2022. Rate of interest 11.62%.
6. Rupee Vehicle loan amounting to Rs. 4.21 lacs from ICICI Bank Limited is secured against the Landrover Car	Repayable in 36 monthly installments. Last installment due in August 2018. Rate of interest 11.99%.
7. Rupee Vehicle loan amounting to Rs. 14.11 lacs from BMW Financial Services is secured against the BMW Car.	Repayable in 59 monthly installments. Last installment due in November 2020. Rate of interest 09.75%.
8. Rupee Vehicle loan amounting to Rs. 4.99 lacs from HDFC Bank Limited is secured against the Innova Car.	Repayable in 36 monthly installments. Last installment due in July 2019. Rate of interest 09.50%.
9. Lien Over FD of Rs.200.00Lakhs.	
10. Pledging of 10 Lacs Equity share of Director.	
11. Rate of interest on Unsecured loan from Director is 11%	

(Amount in Rs.)

NOTE 6 DEFERRED TAX LIABILITIES ( NET )	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities arising on account of Timing differences in : - Depreciation	9,386,534	7,686,541
Deferred Tax Assets arising on account of Timing differences in : Provision for Gratuity	(2,448,281)	(1,700,141)
Provision for Leave Encashment	(545,499)	(200,470)
<b>TOTAL</b>	<b>6,392,754</b>	<b>5,785,930</b>

(Amount in Rs.)

NOTE 7 LONG-TERM PROVISIONS	As at March 31, 2018	As at March 31, 2017
Provision for Gratuity	5,678,474	4,888,734
Provision For Leave Encashment	1,233,419	574,871
<b>TOTAL</b>	<b>6,911,893</b>	<b>5,463,605</b>

(Amount in Rs.)

NOTE 8 SHORT TERM BORROWINGS	As at March 31, 2018	As at March 31, 2017
<b>From Bank - Cash Credit</b> (Secured by hypothecation of book debts, Fixed Deposits and personal property of director's as well as personal guarantee of directors)	204,724,324	119,977,387
<b>TOTAL</b>	<b>204,724,324</b>	<b>119,977,387</b>

(Amount in Rs.)

NOTE 9 TRADE PAYABLES	As at March 31, 2018	As at March 31, 2017
Trade Payables	174,589,357	148,006,582
<b>TOTAL</b>	<b>174,589,357</b>	<b>148,006,582</b>

Note: In the absence of the information available with the company, the amount due to the the suppliers who are registered under Micro, Small & Medium Enterprises Development Act, 2006 have not been given.

**Notes forming part of the Financial Statements (Contd...)**

(Amount in Rs.)

<b>NOTE 10 OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Secured (Refer Note 5a)</b>		
Current maturities of long-term debt	11,606,803	7,876,972
<b>Unsecured</b>		
Creditors for expenses	14,221,195	7,676,020
Creditors for Capital Goods	-	40,742,550
Book Overdraft with Scheduled Banks	14,680,102	55,919,276
TDS Payable	11,434,433	3,363,714
Profession Tax Payable	69,726	17,600
P F Payable Employee	193,330	141,946
P F Payable Employer	211,858	147,861
ESIC Payable	17,493	14,991
Director Remuneration payable	473,566	489,778
Salary Payable	4,217,233	2,873,937
Output Gst CGST Payable	91,061	
Output Gst IGST Payable	4,545,215	
Education Cess Payable	-	88,591
Service Tax Payable	-	1,459,876
<b>TOTAL</b>	<b>61,762,014</b>	<b>120,813,112</b>

(Amount in Rs.)

<b>NOTE 11 SHORT TERM PROVISIONS</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Provision for gratuity	1,682,775	209,743
Provision for Leave Encashment	416,459	31,457
<b>TOTAL</b>	<b>2,099,234</b>	<b>241,200</b>

**NOTE 12 - Fixed Assets**

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at April 1, 2017	Addition	Adjustments/ Deduction	As at March 31, 2018	As at April 1, 2017	For the year ended	Adjust- ments/(De- duction)	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
<b>TANGIBLE</b>										
Land & Building	57,030,030	2,516,990		59,547,020	110,722	1,167,680		1,278,402	58,268,618.26	56,919,298
Office Equipments	2,345,719	1,800,822		4,146,541	1,174,701	609,960		1,784,661	2,361,880	1,171,016
Vehicles	10,812,652	2,310,000	(706,400)	12,416,252	1,732,378	1,529,541	(259,348)	3,002,571	9,413,681	9,080,274
Computers	4,704,240	776,625		5,480,865	4,092,086	718,253		4,810,339	670,526	612,152
Furniture and Fixture	37,392,882	495,376		37,888,258	13,792,456	3,571,892		17,364,348	20,523,910	23,600,427
Leasehold Improvement				-				-	-	-
<b>TOTAL (A)</b>	<b>112,285,523</b>	<b>7,899,813</b>	<b>(706,400)</b>	<b>119,478,936</b>	<b>20,902,342</b>	<b>7,597,326</b>	<b>(259,348)</b>	<b>28,240,321</b>	<b>91,238,615</b>	<b>91,383,167</b>
<b>INTANGIBLE</b>										
Computer Software	809,334	20000		829,334	769,139	42,135	-	811,274	18,060	40,195
License	26,218,260	1,457,600		27,675,860	1,435,989	286,944	-	1,722,933	25,952,928	24,782,271
<b>TOTAL (B)</b>	<b>27,027,594</b>	<b>1,477,600</b>	<b>-</b>	<b>28,505,194</b>	<b>2,205,128</b>	<b>329,078</b>	<b>-</b>	<b>2,534,206</b>	<b>25,970,988</b>	<b>24,822,466</b>
<b>TOTAL (A) + (B)</b>	<b>139,313,117</b>	<b>9,377,413</b>	<b>(706,400)</b>	<b>147,984,130</b>	<b>23,107,470</b>	<b>7,926,405</b>	<b>(259,348)</b>	<b>30,774,527</b>	<b>117,209,603</b>	<b>116,205,633</b>
<b>As at March 31, 2017</b>	<b>81,177,415</b>	<b>59,600,117</b>	<b>(1,464,416)</b>	<b>139,313,116</b>	<b>17,223,652</b>	<b>6,569,396</b>	<b>- 685,564</b>	<b>23,107,483</b>	<b>116,205,633</b>	<b>63,953,773</b>

**Useful Life note :**

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The Management estimates the useful lives for the tangible fixed assets as follows :

## Notes forming part of the Financial Statements (Contd...)

Asset Category	Useful Life
Buildings	50 years
Office Equipments	5 years
Vehicles	8 years
Computers and Computer Software	3-6 years
Furniture and Fixture	10 years
Leasehold Improvement	10 years
Others	Useful life over which management expects to use the assets

(Amount in Rs.)

NOTE 13 NON-CURRENT INVESTMENTS	As at March 31, 2018	As at March 31, 2017
<b>Non-Trade Investment (Un-Quoted)</b>		
2000 Equity Shares in SVC Bank of Face Value Rs.10/- Each.	20,000	20,000
<b>TOTAL</b>	<b>20,000</b>	<b>20,000</b>

(Amount in Rs.)

NOTE 14 LONG-TERM LOANS AND ADVANCES	As at March 31, 2018	As at March 31, 2017
<b>Security Deposit</b>		
Unsecured, Considered Goods	1,432,930	2,011,582
<b>TOTAL</b>	<b>1,432,930</b>	<b>2,011,582</b>

(Amount in Rs.)

NOTE 15 OTHER NON-CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017
Education Cess Receivable	-	7,302
Agnes Theknath-Advance	13,209,578	
Fixed Deposits with maturity more than 12 months ( Refer Note 5(a)(9)	18,098,503	10,000,000
TDS Receivable (Net of Provision)	9,204,375	55,220,356
<b>TOTAL</b>	<b>40,512,456</b>	<b>65,227,658</b>

(Amount in Rs.)

NOTE 16 TRADE RECEIVABLES	As at March 31, 2018	As at March 31, 2017
<b>Unsecured,considered good</b>		
- Period exceeding six months from due dates	148,678,534	64,900,941
- Others	425,827,901	290,344,922
<b>TOTAL</b>	<b>574,506,435</b>	<b>355,245,863</b>

**Notes forming part of the Financial Statements (Contd...)**

(Amount in Rs.)

<b>NOTE 17 CASH AND CASH EQUIVALENTS</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Cash and Cash Equivalents</b>		
Cash on Hand	810,624	1,342,211
Balances with banks		
-In current account	222,808	12,975,679
<b>Other Bank Balances</b>		
Fixed deposits with maturity period more than 3 months but less than 12 month	7,482,929	8,477,633
<b>TOTAL</b>	<b>8,516,361</b>	<b>22,795,523</b>

(Amount in Rs.)

<b>NOTE 18 SHORT TERM LOANS AND ADVANCES</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Advances recoverable in cash or in kind or for value to be received	6,956,189	11,514,872
Input Gst SGST Credit	499,243	
Advances to vendors	1,173,098	5,281,321
Capital advances recoverable in nature	-	2,500,000
<b>TOTAL</b>	<b>8,628,530</b>	<b>19,296,193</b>

(Amount in Rs.)

<b>NOTE 19 REVENUE FROM OPERATIONS</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
<b>Sales</b>		
Sales/Income	2,524,366,113	1,939,501,180
<b>TOTAL</b>	<b>2,524,366,113</b>	<b>1,939,501,180</b>

(Amount in Rs.)

<b>NOTE 20 OTHER INCOME</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
Profit on Sale of Fixed Assets	152,948	97,660
Divident received	300	60,300
Interest Income	3,678,511	399,058
<b>TOTAL</b>	<b>3,831,759</b>	<b>557,018</b>

(Amount in Rs.)

<b>NOTE 21 PURCHASES</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
Purchases & Expenses	1,992,466,506	1,527,424,690
Other Direct Expenses	299,958,739	228,391,972
<b>TOTAL</b>	<b>2,292,425,245</b>	<b>1,755,816,662</b>

## Notes forming part of the Financial Statements (Contd...)

(Amount in Rs.)

<b>NOTE 22 EMPLOYEES BENEFIT EXPENSES</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
Salary, Bonus & Other Allowances	49,786,996	37,013,394
Employer Contribution to Provident Fund	2,217,083	1,721,490
Remuneration to Directors (Refer Note)	16,800,000	10,592,400
Gratuity Expenses	2,286,419	1,907,960
Leave Encashment	1,043,550	606,328
Staff Welfare Expenses	1,532,198	1,316,695
<b>TOTAL</b>	<b>73,666,245</b>	<b>53,158,267</b>

(Amount in Rs.)

<b>NOTE 23 FINANCE COSTS</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
Bank Interest	17,277,289	13,019,876
Interest on Term Loan	8,473,479	6,757,317
Interest on Car Loans	658,465	684,140
Bank Charges	1,035,346	2,209,867
<b>TOTAL</b>	<b>27,444,578</b>	<b>22,671,200</b>

(Amount in Rs.)

<b>NOTE 24 OTHER EXPENSES</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
Administration Expenses	115,301	122,156
Agency Fees	1,367,162	156,908
Auditors Remuneration*	602,500	703,713
License Fees	61,000	42,500
Bad Debts	196,728	414,803
Business Promotion Expenses	7,381,740	4,406,306
Communication Expenses	2,692,645	2,671,130
Director Sitting Fees	680,105	100,000
Electricity Charges	1,598,286	1,616,818
Foreign Exchange Loss	77,423	249,615
Housekeeping Expenses	320,652	346,277
Professional Fees	9,781,653	5,454,233
Insurance Expenses	1,859,561	1,197,289
Interest on GST	178,552	-
Late Filing fees-GST	16,350	-
Interest on service tax	74,745	1,505,188
Interest on IncomeTax	889,475	1,086,350
Interest on Profession Tax	-	20,408
Corporate Social Responsibility ( Note No.29 )	586,603	-
Membership & Subscription	574,426	215,598
Office Expenses	3,124,960	2,231,593
<b>PROPERTY TAX EXPENSES</b>	<b>299,518</b>	<b>-</b>

**Notes forming part of the Financial Statements (Contd...)**

**(Amount in Rs.)**

<b>NOTE 24 OTHER EXPENSES</b>	<b>For The Year Ended March 31, 2018</b>	<b>For The Year Ended March 31, 2017</b>
Printing & Stationery	2,581,335	3,142,497
Postage & Courier Expenses	334,991	250,225
Repairs & Maintainance	3,715,039	2,300,281
Rent, Rates & Taxes	4,923,448	5,232,023
Stamp Duty Charges	-	1,689,500
Travelling Expenses	2,342,439	3,413,785
Miscellaneous Expenses	2,525,207	2,187,457
<b>Total</b>	<b>48,901,845</b>	<b>40,756,653</b>
<b>*Auditors Remuneration</b>		
<b><u>Audit Fees</u></b>		
Audit Fees	400,000	400,000
Tax Audit Fees	100,000	100,000
Taxation and Other Matters	102,500	203,713
<b>Total</b>	<b>602,500</b>	<b>703,713</b>

**25 Contingent Liabilities :-**

The Company has issued bank guarantees in favour of customers / vendors for the purpose of its business.

Details of outstanding guarantees as on the Balance Sheet date are given below:

**(Amount in Rs.)**

<b>Name of the Company</b>	<b>As at 31st, March 2018</b>	<b>As at March 31, 2017</b>
Air India Ltd.	500,000	-
IATA	450,000	450,000
Emirates	6,000,000	6,000,000
Red Express Transport Services Limited	1,000,000	-
Cathay pacific Airways	1,500,000	1,500,000
Qatar Airways	10,300,000	10,300,000
Lufthansa	500,000	-
<b>Total</b>	<b>20,250,000</b>	<b>18,250,000</b>
Less: Margin Money as Fixed Deposit	4,250,000	3,650,000
	16,000,000	14,600,000

**26** In the opinion of the management, current assets, loans and advances have a value at least equal to the amount at which they are states in the balance sheet if realised in ordinary course of business.

## Notes forming part of the Financial Statements (Contd...)

### 27 Related Party Disclosures:

The Disclosure required under Accounting Standard 18 in respect of Related Party transactions and balances is given in the table and explanations given hereunder:

#### (i) Nature of relationship :-

<u>Description</u>	<u>Name</u>
Key Managerial Personnel (KMP)	Richard Theknath (Managing Director)
	Dax Theknath (Whole -Time Director)
	Agnes Theknath (Director)
	Jabir Contractor (Chief Financial Officer)
	Shraddha Mehta (Company Secretary)
Enterprise in which KMP are able to exercise Significant Influence*	Jet Clearing Forwarding & Shipping Agent
	Jet Logistix (OPC ) Pvt Ltd
	Richard F Theknath
	Rex Quality Product Private Limited

Note : The list of Related Parties are as identified by the Management and relied upon by the Auditor.

#### (ii) Details of Related Party Transactions are as follows:-

(Amount in Rs.)				
<b>Sr No.</b>	<b>Nature of the Transaction</b>	<b>Nature of Relationship</b>	<b>Year Ended March 31st, 2018</b>	<b>Year Ended March 31, 2017</b>
<b>1</b>	<b>Remuneration</b>			
	Mr. Richard Theknath	<b>Director</b>	10,800,000	6,929,400
	Mr. Dax Theknath	<b>Director</b>	6,000,000	3,663,000
	Mr. Jabir Contractor	<b>Chief Financial Officer (KMP)</b>	1,800,014	1,398,546
	Ms. Shraddha Mehta	<b>Company Secretary (KMP)</b>	480,600	206,435
<b>2</b>	<b>Loan Taken</b>			
	Mr. Richard Theknath	<b>Director</b>	-	7,365,089
	Mr. Dax Theknath	<b>Director</b>	9,970,000	14,604,555
	Ms. Agnes Theknath	<b>Director</b>	-	-
	Rex Quality Products Pvt Ltd.	<b>Enterprise in which KMP are able to exercise Significant Influence</b>		16,992,426
<b>3</b>	<b>Loan Repaid</b>			
	Mr. Richard Theknath	<b>Director</b>	-	8,535,310
	Mr. Dax Theknath	<b>Director</b>	1,868,129	17,635,880
	Ms. Agnes Theknath	<b>Director</b>	-	12,549,537
	Rex Quality Products Pvt Ltd.	<b>Enterprise in which KMP are able to exercise Significant Influence</b>		15,715,453
<b>4</b>	<b>Loans Given</b>			
	Mr. Jabir Contractor	<b>Chief Financial Officer (KMP)</b>	-	1,500,000
<b>5</b>	<b>Advance against Property</b>			
	Ms. Agnes Theknath	<b>Director</b>	13,209,578	
<b>6</b>	<b>Freight Income</b>			
	Rex Quality Products Pvt Ltd.	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	8,014,962	20,375,728

**Notes forming part of the Financial Statements (Contd...)**

(Amount in Rs.)

Sr No.	Nature of the Transaction	Nature of Relationship	Year Ended March 31st, 2018	Year Ended March 31, 2017
7	<b>Interest on Loan Paid / Credited</b>			
	Mr. Dax Theknath	<b>Director</b>	173,680	-
8	<b>Rent Income</b>			
	Rex Quality Products Pvt Ltd.	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	28,000	-
	Jet Logistix (OPC ) Pvt Ltd	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	28,000	-
9	<b>Agency Charges incurred</b>			
	Richard F Theknath	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	3,600,000	-
	Jet Clearing Forwarding & Shipping Agent	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	-	1,180,500

**(iii) Balances at the year end:**

(Amount in Rs.)

Sr No.	Nature of the Transaction	Nature of Relationship	Year Ended March 31st, 2018	Year Ended March 31, 2017
1	<b>Loans &amp; Advances Taken</b>			
	<u>From Directors</u>			
	Mr. Dax Theknath	<b>Director</b>	8,258,184	-
2	<b>Loans Given</b>			
	Mr. Jabir Contractor	<b>Chief Financial Officer (KMP)</b>	1,500,000	1,500,000
3	<b>Advance against Property</b>			
	Ms. Agnes Theknath	<b>Director</b>	13,209,578	
4	<b>Trade Receivable</b>			
	Rex Quality Products Pvt Ltd.	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	9,022,949	5,868,378
5	<b>Trade Payable</b>			
	Richard F Theknath	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	655,627	
	Jet Clearing Forwarding & Shipping Agent	<b>Enterprise in which KMP are able to exercise Significant Influence</b>	-	1,304,589

Note :Related parties transactions are as identified by the management and relied upon by the Auditors.

**28 Segment Reporting:**

The company has determined that it operates in a single line of business viz. Freight Forwarders and also in a single geographic environment i.e. within India, therefore, the information required by the Accounting standard 17 on segment reporting is not applicable to the company.

**29 Corporate Social Responsibility ( CSR )**

(a) CSR amount required to be spend as per section 135 of the companies Act,2013 read with schedule VII thereof by the company during the year is Rs.586603/-

Details of Amount spend towards CSR given below.

- Promoting Gender Equality ,Education and Aiding Pregnant Women.
- The above amount of Rs.586603/- has been spend through Save Pearl Foundation which is a related party.

## Notes forming part of the Financial Statements (Contd...)

## 30 Employee Benefit :

The Company has classified the various benefits provided to employees as under

## I Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	Year Ended March 31, 2018	Year Ended March 31, 2017
- Employers' Contribution to Provident Fund	2,217,083	1,721,490
- Employers' Contribution to Employees' State Insurance	529,380	242,132
TOTAL	2,746,463	1,963,622

## II Defined Benefit Plans

## Contribution to Gratuity Fund (funded Defined Benefit Plan)

The components of the net gratuity cost for the years ended March 31, 2018 and March 31, 2017 as per Actuarial Valuation are as follows:

## a) Major Assumptions

	Year Ended March 31, 2018	Year Ended March 31, 2017
Discount Rate	7.50%	7.27%
Salary Escallation Rate	10%	8%
Employee Attrition Rate	5%	5%

## b) Change in Present Value of Obligation

	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Present Value of Obligation	5,098,477	3,753,196
Current Service Cost	1,682,775	752,730
Interest Cost	521,640	295,001
Benefit Paid	(23,647)	(562,679)
Actuarial Loss/ (gain) on Obligations	82,004	860,229
<b>CLOSING PRESENT VALUE OF OBLIGATION</b>	<b>7,361,249</b>	<b>5,098,477</b>

(Amount in Rs.)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Gratuity	
Current Service Cost	1,682,775	752,730
Interest Cost	521,640	295,001
Actuarial (Gain)/ Loss	82,004	860,229
<b>Expenses Recognized in Profit and Loss Account</b>	<b>2,286,419</b>	<b>1,907,960</b>

## Notes forming part of the Financial Statements (Contd...)

### 31 Transactions in Foreign Currency

#### i) Expenditure in Foreign Currency

(Amount in Rs.)

Particulars	Year Ended March 31st, 2018	Year Ended March 31st, 2017
Traveling and Lodging & Boarding Reimbursement	748,079	1,818,511
Air Freight Services	5,170,273	7,073,833
	<b>5,918,352</b>	8,892,344

#### ii) Earnings in Foreign Exchange (Accrual Basis)

Particulars	Year Ended March 31st, 2018	Year Ended March 31st, 2017
Air Freight Services	8,336,368	4,600,301
	<b>8,336,368</b>	4,600,301

### 32 Earnings Per Share:

The computation of the Earnings per share has been arrived at as follows

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017 (Reinstated)
(a) Net Profit after tax available for Equity shareholders.	52,493,777	38,883,988
(b) Weighted average number of Equity Shares for Basic EPS	5,641,295	4,475,843
(c) Weighted average number of Equity Shares for Diluted EPS	5,641,295	4,475,843
(d) Nominal Value of Equity Shares (in Rs.)	10	10
(e) Basic Earnings per Equity Share (in Rs.)	9.31	8.69
(f) Diluted Earnings per Equity Share (in Rs.)	9.31	8.69

33 Previous year figures have been recasted/ restated /regrouped where necessary to conform to current's year classification.

#### For S C Mehra & Associates

Chartered Accountants  
Firm No. 106156W

#### CA S C Mehra

Partner  
Membership No. 039730

#### For and on behalf of Board of Directors

**Richard Theknath**  
Managing Director  
DIN No.- 01337478

**Shraddha Mehta**  
Company Secretary

**Dax Theknath**  
Whole-Time Director  
DIN No. - 01338030

**Jabir Contractor**  
Chief Financial Officer

Place : Mumbai  
Date: May 29, 2018

Place : Mumbai  
Date: May 29, 2018

## E-Communication Registration Form

To,

Date:

Bigshare Services Private Limited  
Unit: Jet Freight Logistics Limited  
C/706, Pramukh Plaza,  
Opp. Holy Family Church,  
Chakala, Andheri East,  
Mumbai-400099.

### **Sub: Service of Documents through Electronic Mode (Registration Form Electronic Communication)**

I, .....(name of first/individual shareholder) holding .....(no. of equity shares) equity shares vide folio no./DP & Client ID No. .... in the Company, would like to register below mentioned e-mail ID for receiving all the communications/documents/notices/correspondences from the Company in electronic mode instead of getting physical copies of the same. Kindly register the same.

Thanking you,

Yours truly,

Name of Sole / First Holder \_\_\_\_\_

Email ID:

Signature: \_\_\_\_\_





**FORM NO. MGT – 11**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014, as amended]

**JET FREIGHT LOGISTICS LIMITED**

CIN: L63090MH2006PLC161114

**Regd. Office:** C/706, Pramukh Plaza, Opp. Holy Family Church, Chakala, Andheri East, Mumbai-400099.

**Ph:** +91-22-61043700 **Email:** [ir@jetfreight.in](mailto:ir@jetfreight.in) **Website:** [www.jetfreight.in](http://www.jetfreight.in)

Name of the Member: \_\_\_\_\_ Registered Address: \_\_\_\_\_

Folio No/ Client ID \_\_\_\_\_ DP ID \_\_\_\_\_

Email ID \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company hereby appoint

Name: \_\_\_\_\_ Address \_\_\_\_\_

Email Id \_\_\_\_\_ Signature \_\_\_\_\_, or failing him

Name: \_\_\_\_\_ Address \_\_\_\_\_

Email Id \_\_\_\_\_ Signature \_\_\_\_\_

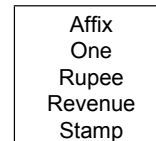
as my/our proxy to attend and vote for me/us and on my/our behalf at the 12<sup>th</sup> Annual general meeting of the company, to be held on Wednesday September 05, 2018 at 02.30 p.m. at Goldfinch Hotel, Plot No. 34/21, Central Road, MIDC, Andheri (East), Mumbai - 400093 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Description
1	To receive, consider and adopt the audited Financial Statements of the Company on a standalone basis, for the financial year ended 31 <sup>st</sup> March, 2018 including audited Balance Sheet as at 31 <sup>st</sup> March, 2018 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date along with the Reports of the Directors' and Auditors' thereon.
2	To appoint a Director in place of Mr. Dax F Theknath (DIN: 01338030), who retires by rotation and being eligible, seeks re-appointment.
3	To increase Authorized Share Capital of the Company and amend the Capital Clause in the Memorandum of Association of the Company.
4	To approve issue of Bonus shares by capitalization of Reserves / Securities Premium Account.
5	To alter the main Object Clause in the Memorandum of Association of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of the shareholder

Signature of the Proxy Holder(s)



Signature across Revenue Stamp

**Note: This form of proxy in order to be effective & valid should be duly completed (dated, signed, stamped) and deposited either in person or through post at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**A proxy need not be a member of the Company.**





## JET FREIGHT LOGISTICS LIMITED

CIN: L63090MH2006PLC161114

Regd. Office: C/706, Pramukh Plaza, Opp. Holy Family Church, Chakala, Andheri East, Mumbai-400099.

Ph: +91-22-61043700 Email: [ir@jetfreight.in](mailto:ir@jetfreight.in) Website: [www.jetfreight.in](http://www.jetfreight.in)

12<sup>th</sup> Annual General Meeting

### ATTENDANCE SLIP

(To be presented at the entrance)

Folio/ DP & Client ID No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

Mr. / Ms./Mrs. \_\_\_\_\_

Address: \_\_\_\_\_

I hereby record my presence at the 12<sup>th</sup> Annual General Meeting of the Company held at Goldfinch Hotel, Plot No. 34/21, Central Road, MIDC, Andheri (East), Mumbai – 400093 at 02.30 p.m. on Wednesday, September 05, 2018.

(Proxy's Name in Block letters) \_\_\_\_\_

\_\_\_\_\_  
(Member's /Proxy's Signature)

1. Strike out whichever is not applicable
2. Please fill in this Attendance Slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional Attendance Slip on request.





This is the first year of Jet Freight for conducting CSR activities in the focused areas such as gender equality, education, aiding pregnant women through a Registered Trust named "The Saved Pearl Foundation" as the provisions of the Section 135 of the Companies Act, 2013 became applicable to the Company.

The Trust consists of young passionate enthusiasts comprising of Businessmen, Gynecologist, Professional Counselors and Homemakers who all are eager to help where there is a threat to LIFE in the womb. The above are some of the examples wherein the girls are been educated at school by Mrs. Arlene Theknath, the Managing Trustee of the Trust.



Air Cargo is vital to the global economy, more so in the case of a developing country like India. The 7th edition of **AIR CARGO INDIA 2018** aimed to be a perfect platform for global air cargo industry stakeholders to explore India as the best emerging market in the world. Organized by **The STAT Trade Times**, **AIR CARGO INDIA** took place at **Grand Hyatt, Mumbai** from **20 to 22 February, 2018**.

Jet Freight was one of the exhibitor of such an grand event.



International Award for Excellence in Air Cargo and Freight Forwarder of the Year Region-India, 2018 by “The Stat Tradetimes.”

*If undelivered, please return to:*

**Registered Office**

C/706, Pramukh Plaza, Opp. Holy Family Church,  
Chakala, Andheri East, Mumbai - 400099

Phone: +91-22-61043700

Email ID: [ir@jetfreight.in](mailto:ir@jetfreight.in) • Website: [www.jetfreight.in](http://www.jetfreight.in)