



# JET FREIGHT LOGISTICS LIMITED



Annual Report 2016-17



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

## Message from Chairman & Managing Director



### Dear Shareholders,

At the outset, I would like to thank all our esteemed shareholders for their overwhelming support to the maiden IPO of Jet Freight Logistics Limited. I am humbled by the response.

Further it is a matter of pride that “The Economic Times” survey has ranked our IPO at no. 2 in terms of delivering 136% return to its investors. Your company has made an impressive mark on its debut in the capital market.

The journey of Jet Freight began three decades back with humble start by an individual named Francis Theknath from a non-business family but a strong will and a desire to dream big. It was a journey full of ups and downs but the entrepreneurial spirit was always high. The path has transpired from a small business to a Public Listed Company called Jet Freight Logistics Limited with more than 175 shareholders, a dedicated and highly motivated workforce of approx. 120 employees, a network of nine branches across India and last but not the least the impeccable goodwill amongst its key stakeholders like Clients, Airlines, Bankers.

While at May 29, 2017 Jet Freight Logistics Limited had a market capitalisation of approx. Rs. 400 Million, I have set a target of increasing the market capitalisation to Rs. 1000 Million by the year 2019 which I am confident of achieving with all your support and good wishes.

It was leap of faith on my side to enter the capital market but I am sure it would be your trust and faith that would take the company at the next level as we together embark on this journey of growth and prosperity.

Your company is having plans to expand its footprints in other geographies as envisaged in our business plan. While we maintain a leadership position in the perishables business, Domestic freight forwarding which we diversified into this year along with thrust on developing the general cargo business will be the major drivers for business growth.

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.

I expect some temporary turbulence in the business with the introduction of GST but on a positive note, I am hoping to leverage on the hidden opportunities that we may come across by way of business consolidation.

As you all go through the Directors report outlining the progress of our Company during F/Y 2016-17 and other highlights of business as detailed therein, I would like to conclude by quoting Ruth Handler, co-founder of Mattel Inc “We didn’t know how to run a business but we had dreams and talent.”

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 valuable support and look forward to their continued co-operation in the years to come.

Hope the Rain God blesses India with good Monsoon showers this year and the same goes for profits in our company.

Warm Regards,

Richard F. Theknath  
Chairman & Managing Director

## 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. Pankaj Kumar Gupta	Independent Director (Resigned w.e.f. June 15, 2017)
Mr. Cypriano Savio Fernandes	Additional Director (Appointed w.e.f. May 29, 2017)

### Chief Financial Officer

Jabir S Contractor

### Company Secretary & Compliance Officer

Ms. Shraddha P Mehta (Appointed w.e.f. July 19, 2016)

### 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 : 400 053

### Bankers

Shamrao Vithal Co-Op. Bank Limited  
Kotak Mahindra Bank Limited

### Registered Office

B/5, 2nd Floor, Roy Apartment,  
Near Sahar Cargo Complex, Sahar Road,  
Andheri East, Mumbai-400099.

### Corporate Office

C/706, Pramukh Plaza,  
Opp. Holy Family Church, Chakala,  
Near WEH Metro Station,  
Andheri East, Mumbai-400099  
Phone: +91-22-61043700  
Email ID: info@jetfreight.in  
Website: www.jetfreight.in  
CIN: U63090MH2006PLC161114

### Registrar and Share Transfer Agent

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

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### For shareholders' use

Proxy form
Attendance Slip
Email Registration form

## NOTICE

Notice is hereby given that the 11<sup>th</sup> Annual General Meeting (**First AGM Post-IPO**) of the members of Jet Freight Logistics Limited (Formerly known as Jet Freight Logistics Private Limited) will be held on Saturday, August 12, 2017 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, 2017 including audited Balance Sheet as at 31<sup>st</sup> March, 2017 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. Richard Theknath (DIN: 01337478)**, who retires by rotation and being eligible, offers himself for re-appointment.
3. **To ratify the appointment of Statutory Auditors and fix their remuneration.**

**"RESOLVED THAT** pursuant to the provisions of section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s S. C. Mehra & Associates, Chartered Accountants (ICAI Firm Registration No. 106156W), who were appointed as the Statutory Auditors at the 8<sup>th</sup> Annual General Meeting (AGM) of the company held on 30<sup>th</sup> September, 2014 for a term of five years (i.e. till the conclusion of 13<sup>th</sup> Annual General Meeting) be and is hereby ratified from the conclusion of 11<sup>th</sup> Annual General Meeting until the conclusion of 12<sup>th</sup> Annual General Meeting on such remuneration as agreed upon by the Board of Directors and the Auditors for said period."

### Special Business:

4. **Appointment of Mr. Cypriano Savio Fernandes, (DIN: 07806950) as an Independent Director.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act, Mr. Cypriano Savio Fernandes, (DIN: 07806950) who was appointed as an Additional Director of the Company in the category of Independent Director, by the Board of Directors with effect from May 29, 2017 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member signifying his intention to propose Mr. Cypriano Savio Fernandes as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company in the category of Independent Director for a term of 5 years up to May 28, 2022 and whose office shall not be liable to retire by rotation.

5. **Revision in Remuneration paid to Mr. Richard F Theknath w.e.f. April 01, 2017 for the remaining period of his tenure:**

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

**"RESOLVED THAT** pursuant to provisions of Sections 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013 and pursuant to Articles of Association of the company, Mr. Richard Theknath, Managing Director of the Company be paid the following revised remuneration from April 01, 2017 for the remaining period of his tenure, as approved by the Nomination and Remuneration Committee.

#### **Salary - Rs. 1,08,00,000 per annum.**

Salary mentioned above includes perquisites payable to Mr. Richard F. Theknath but in any case the total managerial remuneration shall not exceed the maximum limit prescribed under the Companies Act, 2013.

Perquisites are classified into two categories A and B as follows: -

#### **Category A:**

Personal accident insurance.

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

#### **Category B:**

Gratuity payable should not exceed half a month's salary for each completed year of service.

Note:-- For the purpose of Perquisites stated in category 'A' above, "Family" means the spouse, the dependent children and dependent parents.

**RESOLVED FURTHER THAT** the Company do enter into Supplemental Agreement with Mr. Richard Theknath, Managing Director of the Company in terms of the draft placed before the Board, detailing the revision in the remuneration & its other terms and that the stamped engrossment of the aforesaid agreement be signed by any one director of the company and the common seal of the company, if any, be affixed to the aforesaid agreement in the presence of any two directors of the company and the Company Secretary of the Company.

**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, the above remuneration, payable on profits earned, as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any."

**RESOLVED FURTHER THAT** any one director of the Company be and is hereby authorized to do all the act, deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in the prescribed e-forms to Registrar of Companies Mumbai, Maharashtra."

**6. Revision in Remuneration paid to Mr. Dax F Theknath w.e.f. April 01, 2017 for the remaining period of his tenure:**

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

**"RESOLVED THAT** pursuant to provisions of Sections 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013 and pursuant to Articles of Association of the company, Mr. Dax Theknath, Whole-Time Director of the Company be paid the following revised remuneration from April 01, 2017 for the remaining period of his tenure, as approved by the Nomination and Remuneration Committee.

**Salary - Rs. 60,00,000 per annum.**

Salary mentioned above includes perquisites payable to Mr. Dax F. Theknath but in any case the total managerial remuneration shall not exceed the maximum limit prescribed under the Companies Act, 2013.

Perquisites are classified into two categories A and B as follows: -

**Category A:**

Personal accident insurance.

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

**Category B:**

Gratuity payable should not exceed half a month's salary for each completed year of service.

Note:-- For the purpose of Perquisites stated in category 'A' above, "Family" means the spouse, the dependent children and dependent parents.

**RESOLVED FURTHER THAT** the Company do enter into Supplemental Agreement with Mr. Dax Theknath, Whole-Time Director of the Company in terms of the draft placed before the Board, detailing the revision in the remuneration & its other terms and that the stamped engrossment of the aforesaid agreement be signed by any one director of the company and the common seal of the company, if any, be affixed to the aforesaid agreement in the presence of any two directors of the company and the Company Secretary of the Company.

**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Whole-Time Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Whole-Time Director, the above remuneration, payable on profits earned, as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any."

**RESOLVED FURTHER THAT** any one director of the Company be and is hereby authorized to do all the act, deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in the prescribed e-forms to Registrar of Companies Mumbai, Maharashtra."

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

**Date: May 29, 2017**  
**Place: Mumbai**

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



**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.

2. **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 Corporate 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.

3. The Register of Members & Share Transfer Books of the Company will remain closed from 10.08.2017 to 12.08.2017 (both days inclusive) in connection with the Annual General Meeting.
4. All the documents referred to in the accompanying notice and the explanatory statement are open for inspection at the Registered Office or Corporate Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day except Saturdays 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. Details pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015 read with Secretarial Standard -2 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
9. The notice of AGM along with Annual Report for 2016-17 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.
10. 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.
11. 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.
12. This notice 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 14<sup>th</sup> July, 2017.
13. 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.
14. 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.**
15. 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.

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. A route map showing direction to reach the venue of the 11<sup>th</sup> AGM is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.

**19. 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, the facility for voting through polling paper shall be made available at the meeting and the members attending the Meeting shall be able to exercise their right at the Meeting through polling paper. A Proxy can vote in the ballot/poll process.
- A Member present in person or by Proxy shall, on a poll or ballot, have votes in proportion to his share in the paid up equity share capital of the company, subject to differential rights as to voting, if any, attached to certain shares as stipulated in the Articles or by the terms of issue of such shares. 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 **4<sup>th</sup> August, 2017** 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 Ballot process 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.

Mr. Sunil Agarwal, Practicing Company Secretary, (Membership No. FCS 8706) has been appointed as the Scrutiniser to scrutinise the Ballot process.

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

**Date: May 29, 2017  
Place: Mumbai**

**Richard Theknath  
Managing Director**

**Explanatory Statement under Section 102 of the Companies Act, 2013**

**Item No 4:**

Pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company, Mr. Cypriano Savio Fernandes, (DIN: 07806950), was appointed as an Additional Director in the category of Independent Director by the Board with effect from May 29, 2017. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Cypriano Savio Fernandes will hold office upto the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member alongwith a Deposit of Rs. 1,00,000/- proposing the candidature of Mr. Cypriano Savio Fernandes for the Office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Mr. Cypriano Savio Fernandes as a Senior Business Professional is having 27 years of experience across Business Development, Banking and Financial Services, Relationship Management and Business Strategy Leadership.

As an Executive Director with J. P. Morgan Chase Bank NA (2012-2016) and Vice President with Citibank NA (1995-2011), Mr. Cypriano Savio Fernandes was responsible for managing senior level relationships of global companies operating in India across various industries - Manufacturing, Chemicals, Pharmaceuticals, Oil & Gas, Industrials, Financial Institutions. During his tenure with these institutions, he gained wide experience in managing relationships, developing business strategies and identifying new areas of opportunities, financial planning, ensuring client satisfaction.

He is an effective leader with high levels of integrity, possesses excellent inter personal skills and creates value through his business, relationship, and financial acumen. Mr. Cypriano Savio Fernandes also devotes some portion of his time to social service activities including reaching out to cancer patients.



As an Independent Director, his contributions in the company would be to provide direction and strategy to senior management by leveraging his experience and also help the company to adopt world class best practices with an aim to grow the business and bring in operational efficiencies in the company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Cypriano Savio Fernandes as an Independent Director. Accordingly, the Board recommends the resolution, for the approval by the shareholders of the Company as an ordinary resolution.

Mr. Cypriano Savio Fernandes fulfils the conditions specified in the Section 149(6) and other applicable provisions of the Companies Act, 2013 read with Schedule IV, the rules made there under to be appointed as an Independent Director of the Company.

Mr. Cypriano Savio Fernandes does not hold any shares of the Company.

The terms and conditions of appointment of Mr. Cypriano Savio Fernandes, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office or Corporate Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day except Saturdays up to the date of this Annual General Meeting of the Company.

Except Mr. Cypriano Savio Fernandes, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

#### Item No 5:

The Board of Directors in its meeting held on June 20, 2016, approved the appointment of Mr. Richard F Theknath as Managing Director of the Company with effect from June 20, 2016 for a period of five years and approved payment of remuneration to him.

The Nomination and Remuneration Committee, in its meeting held on March 30, 2017 recommended and the Board of Directors, in its meeting held on March 30, 2017, approved for payment of remuneration of **Rs. 1,08,00,000 per annum**, to Mr. Richard F Theknath (holding DIN 01337478), as Managing Director of the Company with effect from April 01, 2017, for the remainder period of his tenure as Managing Director upto June 19, 2021 in terms of Schedule V to the Companies Act, 2013, as amended vide notification No. S.O. 2922(E) dated 12.09.2016. Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder as Annexure to this Notice. Approval of the shareholders is sought for remuneration payable for the remaining period of his tenure as Managing Director upto June 19, 2021.

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

The terms and conditions of remuneration of Mr. Richard F Theknath containing in the MD's Agreement, shall be open for inspection at the Registered Office or Corporate Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day except Saturdays up to the date of this Annual General Meeting of the Company.

None of the Directors except Mr. Richard F Theknath, Mr. Dax F Theknath & Mrs. Agnes F Theknath are concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

#### Item No 6:

The Board of Directors in its meeting held on June 20, 2016, approved the appointment of Mr. Dax F Theknath as Whole-Time Director of the Company with effect from June 20, 2016 for a period of five years and approved payment of remuneration to him.

The Nomination and Remuneration Committee, in its meeting held on March 30, 2017 recommended and the Board of Directors, in its meeting held on March 30, 2017, approved for payment of remuneration of **Rs. 60,00,000 per annum**, to Mr. Dax F Theknath (holding DIN 01338030), as Whole-Time Director of the Company with effect from April 01, 2017, for the remainder period of his tenure as Whole-Time Director upto June 19, 2021 in terms of Schedule V to the Companies Act, 2013, as amended vide notification No. S.O. 2922(E) dated 12.09.2016 as approved by the Nomination and Remuneration Committee. Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder as Annexure to this Notice. Approval of the shareholders is sought for remuneration payable for the remaining period of his tenure as Whole-Time Director upto June 19, 2021.

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

The terms and conditions of remuneration of Mr. Dax F Theknath containing in the WTD's Agreement, shall be open for inspection at the Registered Office or Corporate Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day except Saturdays up to the date of this Annual General Meeting of the Company.

None of the Directors except Mr. Dax F Theknath, Mr. Richard F Theknath & Mrs. Agnes F Theknath are concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

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

**Date: May 29, 2017**  
**Place: Mumbai**

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

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 11<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]

Name of the Director	Mr. Richard F Theknath	Mr. Dax F Theknath
Date of Birth	05.10.1979	28.04.1986
Date of first appointment	13.04.2006	13.04.2006
Qualification	FMBA	He holds a license for Commercial pilot issued by Department of Transportation and Federal Aviation Administration (United States of America).
Shareholding of directors	13,09,147 equity shares	11,92,000 equity shares
Directors Inter-se relationship & the KMP	Brother of Mr. Dax Theknath & Son of Agnes Theknath, Directors	Brother of Mr. Richard Theknath & Son of Agnes Theknath, Directors
Years of experience	19	11
No. of Board Meeting attended in FY	12	13
Area of expertise	During the 18 years of his career with jet freight, he has pioneered a new culture in the organization that is felicitous for an organization to be competitive in the industry. He has been working closely with the Jet freight team and has taken personal interest in creating and developing a committed, hardworking and skilled set of employees for his organization. Under his directorship, Jet Freight has received numerous awards one of them was for being No. 1 agent for 10 consecutive years, from various airlines like Air India, Cathay Pacific, Saudia Airlines, Gulf Air, Emirates etc.	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	Refer Item No. 5 of the Notice	Refer Item No. 6 of the Notice
Details of remuneration last drawn (2016-17)	6929400 p.a.	3663000 p.a.
Directorship in other public companies	Nil	Nil
Memberships of Committees in other public companies (Includes only Audit & Stakeholders Relationship Committee)	Nil	Nil

Name of the Director	Mr. Cypriano Savio Fernandes
Date of Birth	14.10.1968
Date of first appointment	29.05.2017
Qualification	B.Com
Shareholding of directors	Nil
Directors Inter-se relationship & the KMP	Not Applicable
Years of experience	27
No. of Board Meeting attended in FY	NA

Area of expertise	As an Executive Director with J. P. Morgan Chase Bank NA (2012-2016) and Vice President with Citibank NA (1995-2011), Mr. Cypriano Savio Fernandes was responsible for managing senior level relationships of global companies operating in India across various industries - Manufacturing, Chemicals, Pharmaceuticals, Oil & Gas, Industrials, Financial Institutions. During his tenure with these institutions, Mr. Cypriano Savio Fernandes gained wide experience in managing relationships, developing business strategies and identifying new areas of opportunities, financial planning, ensuring client satisfaction.
Terms and conditions of appointment/ re-appointment & Remuneration sought for	Refer Item No.4 of the Notice
Details of remuneration last drawn (2016-17)	N.A.
Directorship in other public companies	Nil
Memberships of Committees in other public companies (Includes only Audit & Stakeholders Relationship Committee)	Nil

### **Annexure to the Notice**

**Additional information required to be given alongwith a Notice calling General Meeting as per sub para (B) of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:**

<b>I. General Information:</b>		
1. Nature of industry	Freight Forwarding Industry	
2. Date or expected date of commencement of commercial production	The Company has been in the business for many years	
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable	
4. Financial performance based on given indicators	<b>(Rupees in lakhs)</b>	
	<b>Financial Parameters :</b>	<b>2016-2017</b>
	Net Sales and other Income	21677.48
	Net Profit / (Loss) as per profit and loss account	388.84
	Dividend Declared	--
5. Foreign investments or collaborators, if any.	Not Applicable	
<b>II. Information about the appointee:</b>	<b>Mr. Richard F Theknath</b>	<b>Mr. Dax F Theknath</b>
1. Background details	Mr. Richard F Theknath has been appointed as Managing Director wef June 20, 2016.  Qualification: FMBA	Mr. Dax F Theknath has been appointed as Whole-Time Director wef June 20, 2016.  Qualification: He holds a license for Commercial pilot issued by Department of Transportation and Federal Aviation Administration (United States of America).
2. Past remuneration	6929400 p.a.	3663000 p.a.
3. Recognition or Awards	During the tenure of Mr. Richard F Theknath, as a Director from the date of incorporation, the company has received many awards and recognitions which are being displayed on our website.	During the tenure of Mr. Dax F Theknath, as a Director from the date of incorporation, the company has received many awards and recognitions which are being displayed on our website.

4. Job profile and his suitability	During the 18 years of his career with jet freight, he has pioneered a new culture in the organization that is felicitous for an organization to be competitive in the industry. He has been working closely with the Jet freight team and has taken personal interest in creating and developing a committed, hardworking and skilled set of employees for his organization. Under his directorship, Jet Freight has received numerous awards one of them was for being No. 1 agent for 10 consecutive years, from various airlines like Air India, Cathay Pacific, Saudia Airlines, Gulf Air, Emirates etc.	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.
5. Remuneration proposed	10800000 p.a. for the remaining period of his tenure	6000000 p.a. for the remaining period of his tenure
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin)	The Remuneration proposed to be paid to Mr. Richard F Theknath, as recommended by the Nomination & Remuneration Committee and has been approved by the Board considering the position, industry standards, past remuneration, responsibilities. The remuneration proposed is on par with most of the listed Companies who are in the similar industry.	The Remuneration proposed to be paid to Mr. Dax F Theknath, as recommended by the Nomination & Remuneration Committee and has been approved by the Board considering the position, industry standards, past remuneration, responsibilities. The remuneration proposed is on par with most of the listed Companies who are in the similar industry.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Richard F Theknath, Managing Director is the promoter of the company and holds equity shares in the company. He is related to Mr. Dax F Theknath, Whole-Time Director and Mrs. Agnes F Theknath, Director who are also holding equity shares in the company.	Mr. Dax F Theknath, Whole-Time Director (person falling in promoter group) of the company, holds equity shares in the company. He is related to Mr. Richard F Theknath, Managing Director and Mrs. Agnes F Theknath, Director who are also holding equity shares in the company
<b>III. Other information:</b>		
1. Reasons of loss or inadequate profits	During the financial year, Company is having sufficient profits but for the payment of Managerial Remuneration, where in any previous financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, pay such remuneration to the managerial person under Schedule V to the Companies Act, 2013.	
2. Steps taken or proposed to be taken for improvement	The Board of Directors have taken adequate steps to stem the fall in margin by trying to compensate by increasing the volumes through Domestic cargo activity.	
3. Expected increase in productivity and profits in measurable terms.	The Management of the company is making all efforts to improve the yield per ton and also maintaining the CAGR of 22% in revenue as exhibited in the past. In terms of growth in PAT a target of 3-3.5% over a couple of years looks achievable.	

## ROUTE MAP TO THE VENUE OF THE AGM





## DIRECTOR'S REPORT

Dear Members,

The Directors have pleasure in presenting this 11<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, 2017.

### FINANCIAL HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

The financial results for the year ended 31<sup>st</sup> March, 2017 and the corresponding figures for the last year are as under:-

(Rs. in lakhs)

Particulars	Financial Year 2016-2017	Financial Year 2015-2016
Total Income(Gross)	21677.49	20667.46
Less expenses	20774.22	20236.94
<b>Profit before interest, Depreciation and Tax</b>	<b>903.27</b>	<b>430.52</b>
Less : Interest	226.71	211.34
<b>Profit before Depreciation and Tax</b>	<b>676.56</b>	<b>219.18</b>
Less Depreciation	65.69	66.79
<b>Profit before Tax</b>	<b>610.87</b>	<b>152.39</b>
Less : Provision for Taxation	222.02	56.85
<b>Profit after Tax</b>	<b>388.85</b>	<b>95.54</b>
Add: Balance B/F from previous Year	259.32	163.78
Less: Income Tax Adjustments of prior years	81.97	-
<b>Amount Available for Appropriation</b>	<b>566.20</b>	<b>259.32</b>
<b>APPROPRIATIONS:</b>		
Transfer to General Reserve	Nil	Nil
<b>Balance carries to Balance Sheet</b>	<b>566.20</b>	<b>259.32</b>

### OVERVIEW OF AIR CARGO IN INDIA:

At its present, compounded annual rate of growth of 5.5 percent cargo demand in India is expected to boost the airfreight market to 2.8 million tons by 2018.

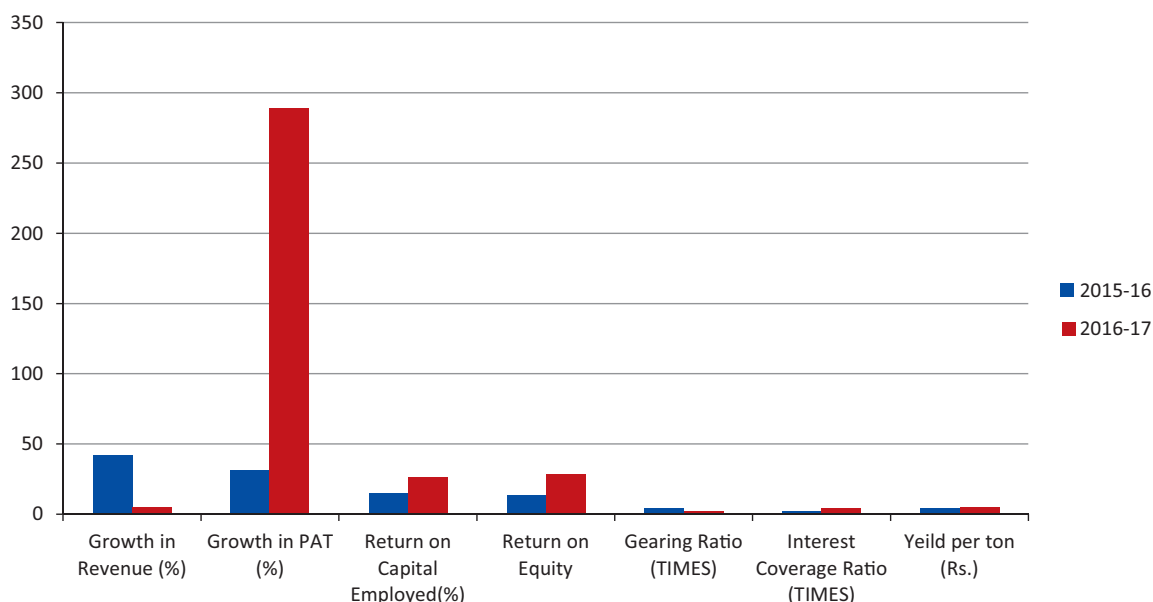
The aggregate demand for air cargo, the analysts concluded, comes from a renewed emphasis on international trade over the last several years and regulations on the amount of foreign direct investment (FDI) allowed in India's aviation sector.

The Indian government's FDI policies have been particularly favorable towards private participants entering the market "Major policies fueling market growth include the allowance for 100 percent FDI in existing airports and under automatic routes, as well as 100 percent tax exemption for airport projects for the next ten years.

The demand for air freight is limited by cost, typically priced 4–5 times more that of road transport and 12–16 times high that of sea transport. These values differ from country to country, season to season and from product to product and for different volumes also. Cargo shipped by air thus have high values per unit or are very time-sensitive, such as documents, pharmaceuticals, fashion garments, production samples, electronics consumer goods, and perishable agricultural and seafood products. They also include some inputs to meet just-in-time production and emergency shipments of spare parts. As the volume of air freight grows, there is a natural progression from passenger aircraft to chartered cargo planes of increasing size and ultimately to scheduled cargo services.

### SNAP SHOT OF KEY FINANCIAL PARAMETERS:

Particulars	2015-16	2016-17
Growth in Revenue (%)	42.37	4.88
Growth in PAT (%)	31.29	289.13
Return on Capital Employed (%)	15.61	26.49
Return on Equity	14	27
Gearing Ratio (TIMES)	4.31	2.06
Interest Coverage Ratio (TIMES)	2.07	4.01
Yield per ton (Rs.)	4.58	5.27



During the financial year ending March 31, 2017, the company has undergone several highs and lows due to various national and international events like Brexit and Demonetization having indirect impact on the logistics industry. Its financial impact is evident in terms of almost flat or marginal growth in revenue as compared to previous year. However, company revenue has shown compounded annual growth rate of 22% during Financial Year 2016-17.

Having said that, Jet Freight has been able to cross the hurdles and emerge with better financials in terms of growth in PAT and improved EPS contributing to shareholders returns.

Return on Capital employed has shown a healthy growth @ 26.49%, with the gearing ratio almost halved as compared to previous year. Long term debt ratio has reduced to 0.47 times in Financial Year 2016-17 as compared to 1.72 times in financial year 2015-16.

Having improved the margins and reducing the debts, your company had a situation of stretched working capital requirement which is evident from the increase in the interest outflow increase by approx. 10% as compared to the previous year.

#### **TONNAGE IMPROVEMENT:**

Your company carried 34,855 tonnes in the Financial year 2016- 2017 as compared to 29,835 tonnes in Financial year 2015-2016. There is a 16.83% growth in tonnage as compared to the previous year.

#### **DEALING WITH BANKS AND FINANCIAL INSTITUTIONS:**

In line with our financial strategy, the management endeavored to shift its banking facilities from Shamrao Vittal Co-operative Bank Limited to Kotak Mahindra Bank Limited during the year for the better and smooth functioning of the company as the company is having various branch offices across the country. This yielded results in terms of company being able to access funds at lower cost and able to contain its financial expenses in spite of increase in the utilisation of its working capital facility. Due to better negotiations with the bankers, the management has been able to get enhanced working capital limits by diluting the existing collateral. The bank was obliged to do it due to good financial track record of the company and impressive financial ratios of the previous years.

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 2016-2017.

#### **DIVIDEND:**

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

#### **EQUITY SHARE CAPITAL:**

The Authorized Share Capital of the Company was increased from Rs. 4,00,00,000 to Rs. 6,00,00,000 w.e.f. July 01, 2016. The Paid-up Share Capital of the Company as on March 31, 2016 was Rs. 3,99,84,729/- comprising of 3,99,84,729 equity shares of Re. 1/- each. During the year under review, the Company have consolidated the face value of equity shares from Re. 1/- each to Rs.10/- each whereby the company then had a paid up share capital of 39,98,473 equity shares of R. 10/- each. Further, the Company have issued 14,52,000 Equity Shares of R. 10/- Each at Premium of Rs. 18/- per share to public through its maiden IPO.

## BRIEF BACKGROUND ON THE INITIAL PUBLIC OFFER OF THE COMPANY:

The company entered the capital market with its maiden initial public offering (IPO) of 14,52,000 equity shares of face value of Rs. 10/- and at a premium of Rs. 18/- per share, aggregating to Rs. 4,06,56,000, by diluting 26.64% of promoter's shareholding.

The issue opened for subscription on November 24, 2016 and closed on November 28, 2016. The equity shares have been listed on the **SME Emerge Platform of National Stock Exchange of India Ltd (NSE) w.e.f. December 06, 2016**. Consequently, the Company's paid up share capital has increased from Rs. 3,99,84,730/- to Rs. 5,45,04,730/-.

Your Directors are pleased to inform that the Initial Public Offering (IPO) of the Company was fully subscribed with an over-subscription to the extent of 5 times over the issue size. The response from investors was really very encouraging.

Its debut on the NSE Emerge platform on December 06, 2016 also met with the similar response by way of share price hitting the upper circuit of 5% in the opening session of the stock exchange.

Further, as per The Economic Times, survey indicates that Jet Freight IPO has been rated as the second best IPO in terms of return over the issue price as compared to other IPO during the financial year.

## 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.

## DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

- The Composition of Board of Directors and the details of Key Managerial Personnel for the Financial Year 2016-2017 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. Pankaj Gupta Kumar	Independent Director	25.07.2016 – for a period of 5 years.
6	Mr. Jabir S Contractor	Chief Financial Officer (Key Managerial Personnel)	25.07.2016 – for a period of 5 years.
7	Ms. Shraddha P Mehta	Company Secretary & Compliance Officer (Key Managerial Personnel)	19.07.2016

## ➤ Retire by Rotation:

Pursuant to the provisions of section 152 of the Companies Act, 2013, the office of Mr. Richard F Theknath, (DIN: 01337478) 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.

## 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.

#### 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. Pankaj Gupta Kumar	Chairman	Non-Executive & Independent Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & Independent Director
Mr. Richard Francis Theknath	Member	Managing 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 2016-2017, the Audit Committee of the Board of Directors met Four times viz. on 31.08.2016, 06.10.2016, 28.01.2017, 30.03.2017.

## 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. Pankaj Gupta Kumar	Chairman	Non-Executive & Independent Director
Ms. Agnes Francis Theknath	Member	Non-Executive Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & Independent Director

During the financial year 2016-2017, the Nomination and Remuneration Committee of the Board of Directors met Two times viz. on 31.08.2016 and 30.03.2017.

### 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
Ms. Agnes Francis Theknath	Chairperson	Non-Executive Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & 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.

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

### MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

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 -:

1. In addition to above financial facility, our Company has availed term loan of Rs. 4,05,00,000 from Kotak Mahindra Bank Limited to finance the purchase of Office premises of the Company.
2. The Company has availed a Vehicle Loan facility of Rs. 10,50,000 from HDFC Bank Limited for meeting the cost of acquiring Honda CRV repayable in equated monthly installments not exceeding 36 months.

### 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](http://www.jetfreight.in) pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. No complaint of this nature has been received by the Audit Committee during the year under review.

### 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, 2017, there were no subsidiaries of the company, hence this clause is not applicable.

### 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 subject to ratification of their appointment at every Annual General Meeting. The resolution for ratification of their appointment is placed for approval of members of the Company at the ensuing Annual General Meeting. The Company has received a certificate from the statutory auditors confirming that they are eligible for ratification of their appointment.

### 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:

Pursuant to Section 204 of Companies Act, 2013, the Board of Directors had appointed M/s Parikh & Associates, Practicing Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company. The Secretarial Auditor's Report is attached to this report as '**Annexure- B**'. The response from the Management is that the Company consolidated its Equity Share Capital from Re 1/- each into a share of Rs. 10/- each with shareholders approval by virtue of which one share got rounded off.



## 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, 2017. Hence, there were no unclaimed or unpaid deposits as on March 31, 2017.

### 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.

### CORPORATE SOCIAL RESPONSIBILITY:

Since Section 135 of Companies Act' 2013 and Rules made there under is not applicable, hence no meetings were conducted during the year.

### NUMBER OF MEETING OF THE BOARD:

During the financial year 2016-2017, the Board of Directors met Thirteen times viz. on 31.05.2016, 20.06.2016, 27.06.2016, 25.07.2016, 01.08.2016, 31.08.2016, 21.09.2016, 06.10.2016, 23.10.2016, 11.11.2016, 14.11.2016, 09.02.2017, 30.03.2017.

### THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE FINANCIAL YEAR 2016-2017:

The Company does not have any Subsidiaries, Joint Ventures or Associate companies during the financial year 2016-2017.

### 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, 2017, 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, 2017 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 S Arya and Mr. Pankaj Gupta Kumar, Independent Directors of the company pursuant to the requirement of section 149(7) of the Companies Act 2013, that they fulfils 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 C' 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 D' 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 D' 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, 2017 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):**

- |   |   |     |
|---|---|-----|
| a) the details of technology  | } | Nil |
| b) the year of Import   |   |     |
| c) whether the technology been fully absorbed   |   |     |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action |   |     |

#### **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	2016-2017	2015-2016
Foreign Exchange Earnings	46,00,301	1,01,15,787
Foreign Exchange outgo	88,92,344	1,34,86,585

## 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, Corporate 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, 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 to National Stock Exchange of India Limited (NSEIL) after reviewing it, indicating category wise variation between projected utilization of funds made by it in its offer document (Prospectus) and the actual utilization of funds.

The statement below, indicates that the issue proceeds have been fully utilized and the purposes for which these proceeds were raised through an Initial Public Offer (IPO) has been achieved. The objects of the issue as stated in the prospectus are; to meet the working capital requirements of the Company and issue expenses. 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.

A statement showing utilization of IPO proceeds was placed for review before the Audit Committee held on April 26, 2017 for the period 06.12.2016 (Company's listing date on NSE-Emerge Platform) to 31.03.2017 which was certified by Mr. S. C. Mehra, Partner of M/s. S. C. Mehra & Associates, Statutory Auditors of our Company, as detailed herein below:

(Rupees In Lakhs)

Particulars	As per Prospectus	Actual Expenses	Variation, if any*
<b>Issue Expenses</b>	36.00	45.12	9.12
Working Capital Margin	370.56	361.44	(9.12)
Amount Received as Proceeds of the Issue	406.56	406.56	Nil

\*In terms of the final prospectus filed for IPO, any variations in the actual utilization of funds allocated for the purposes set forth, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. Accordingly, variation among the actual expenses is adjusted among the various heads.

***The reason for the variation in the proceeds of the issue within the category of the "Objects of the Issue" as mentioned in the Prospectus is that, the issue expenses as envisaged at the time of coming out with an IPO got underestimated and hence the additional expenses was required to be funded by drawing from Working Capital Margin.***

## AWARDS & ACHIEVEMENTS:

Your Company has a long list of Awards and Recognition from the Airlines during its long legacy of three decades. Company has been felicitated at various forums by valuable stakeholders in the business. To highlight a few of its achievements during the Financial Year 2016-17, a list is as given below:

Sr. No.	Airline	Awarded for	Year
1	Air-India	1st Rank-Intl Perishable Cargo Agent	2016 - 2017
2	Emirates	Top Cargo Agent	2016 - 2017
3	Emirates	Certificate of Appreciation	2016 - 2017

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 2016-2017 (tonnes)	FY 2015-2016 (tonnes)	Growth in Volumes
Air India Ltd.	6408	1430	348%
Jet airways	8916	4973	80%
Emirates	9195	9104	1%

#### NEW LOOK OF COMPANY LOGO:

We are pleased to inform that since the company has embarked on its new journey by going public and increasing its stakeholders and turning a new leaf in its history, a fresh look has been designed for its logo. Thus giving the company a new tag line which is more in line with its long practise philosophy i.e. reliability and trusted business partner.



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

- CONSEQUENCE OF BREXIT ON INDIAN EXPORTS:**

Jet Freight has got some of its major revenue contributing customers exporting their products to United Kingdom. Brexit was an event which had its ripple effects on the Indian economy. More so in the case of exports as UK is a very major market for Indian exports. India's major exports to Britain includes apparels, pharmaceuticals, automobiles etc.

With the advent of Brexit and the consequential devaluation of pound impacted the Indian exporters fraternity very adversely. As a result, shippers to UK either curtailed their exports to UK and those already exported to UK before the Brexit were facing a huge dip in their realization due to devlaution of pound. These two things combined added to the exporters woes.

Thus your company was having a double impact due to exports being curtailed by the exporter and the exporters whose shipment was already done prior to the Brexit were sitting on a huge conversion loss. Hence the payment cycle to the company got slowed down.

As mentioned earlier that due to a good banking relationship with the bankers, the company was able to tide over this slow down in realisations and come out of this event unscratched.

- CONSEQUENCE OF DEMONETISATION UNDERTAKEN BY GOI:**

In the wake of the demonetisation drive conducted by the Governemnt from 9 November 2016, banning 500 and 1000 rupee notes, took the entire country by storm as the event had a long lasting impact on the Indian economy post Novemembr 09,2016. Businesses across the length and breath of the country got crippled due to scarcity of new notes and the trade got hampered. Farm produced got decayed at various places due to non-availability of transportation facility. Agri products were struggling to reach the markets from where it could be further shipped. It took a long time for the traders and the logistics industry to come to terms with the alternative terms of payment other then cash as promoted by the GOI. In the interveninig period, exports plus the local trade got badly affected and the consequential impact could be felt on the company business. Our business survived that shock also.

- FALL IN INTERNATIONAL OIL PRICES AND USD DEVALUATION**

With the fall in the oil prices and devaluation of USD against INR has been taking its toll on the export business from India. Any further fall in the USD shall eat into the margin of the exporters and can give an adverse push to the growth of the industry.

#### FUTURE BUSINESS PROSPECTS:

Capacity growth in the Airline industry is resulting in a lot of cargo capacity coming into the market. According to Cargo Facts, air freight transported in the belly of passenger airlines accounted for 13.6 percent of total cargo in 2015, up from 11.7 percent in 2009. These wide body passenger aircraft are operating increased frequencies (i.e., carrying more capacity) on some of the most lucrative trade routes. While carrying cargo on passenger airlines is helping the financial performance of those airlines, it is leading to falling pricing power for cargo carriers and lower cargo yields. This is further fuelled by the increase in wide body passenger jets and the belly space, these aircraft provide for hauling freight.

Yields have fallen with capacity continuing to grow and demand falling, analysts expect that it could take time for freight yields to rebound.

## 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 govt 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.

## IMPACT OF GST ON FREIGHT INDUSTRY:

GST is going to be a game changer for the Indian Economy whereby there would be "ONE TAX ONE NATION" concept that would be put to practise by the GOI. This indirect tax reform shall have profounding impact on the way business is conducted in the entire nation.

As a precursor to the GST all the sectors of the economy are doing the impact assessment due to the coming of the GST. Different sectors are going to be impacted and so is the logistics industry.

As per the notifications put up by the GST council so far the Air freight activity is chargeable to tax under GST regime @18%, which was under negative list under the existing Service tax regime. Hence under the current system Air freight was totally exempt from Service Tax. This change shall adversely impact the freight forwarding as well as the export industry. Going by this the freight forwarders as well the exporters shall feel a stretched in their working capital requirements. The levy of 18% shall add to exporters cash outflow with the consequential adverse impact on our payment cycle. The company shall endeavour to re-negotiate the terms of its payment with the exporters so that statutory liability of GST can be met on time. Having said this, the company shall have to pay 18% GST on air freight to all the Airlines for which it can claim set-off.

## 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: **29.05.2017**

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

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



**Form No. MGT-9:**

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2017.**

*[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	U63090MH2006PLC161114
ii.	Registration Date	13.04.2006
iii.	Name of the Company	<b>Jet Freight Logistics Limited</b> (Formerly known as Jet Freight Logistics Private Limited)
iv.	Category Sub-Category of the Company	Company Limited By Shares Indian Non-Government Company
v.	Address of the Registered office of the and contact details	B/5, 2 <sup>nd</sup> Floor, Roy Apartment, Near Sahar Cargo Complex, Sahar Road, Andheri East, Mumbai-400099. Email ID: info@jetfreight.in
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited, E2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai- 400072. Tel: +91 22 40430200

**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- 01.04.2016				No. of Shares held at the end of the year- 31.03.2017				% 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	Nil	39984729	39984729	100	3998473	Nil	3998473	73.36	(26.64)*
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>Nil</b>	<b>39984729</b>	<b>39984729</b>	<b>100</b>	<b>3998473</b>	<b>Nil</b>	<b>3998473</b>	<b>73.36</b>	<b>(26.64)</b>
• <b>Foreign</b>									
g) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year- 01.04.2016				No. of Shares held at the end of the year- 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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)	Nil	39984729	39984729	100	3998473	Nil	3998473	73.36	(26.64)
<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	Nil	Nil	Nil	Nil	199000	Nil	199000	3.65	3.65
(ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	Nil	Nil	Nil	589804	Nil	589804	10.82	10.82
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	632000	Nil	632000	11.60	11.60
c) Others									
Clearing Members	Nil	Nil	Nil	Nil	31196	Nil	31196	0.57	0.57
<b>Sub-total(B)(2)</b>	Nil	Nil	Nil	Nil	1452000	Nil	1452000	26.64	26.64
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	Nil	Nil	Nil	Nil	1452000	Nil	1452000	26.64	26.64
<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>	Nil	39984729	39984729	100	5450473	Nil	5450473	100	

\* The Equity Share capital of the Company was consolidated from Re. 1 to Rs. 10 each w.e.f. 01.07.2016. Hence the quantum of the shares of the individual promoters has been reduced.

On the occasion of IPO, 1452000 equity shares were offered to public due to which the percentage of the shares of individual promoters has been diluted.

**ii. Shareholding of Promoters:**

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	13091478	32.74	Nil	1309147	24.02	Nil	(8.72)
2.	Dax F. Theknath	11920000	29.81	Nil	1192000	21.87	Nil	(7.94)
3.	Agnes F. Theknath	14973251	37.45	Nil	1497321	27.47	Nil	(9.98)
4.	Arlene R. Theknath	Nil	Nil	Nil	2	0	Nil	NA
5.	Christina D. Theknath	Nil	Nil	Nil	1	0	Nil	NA
6.	Elizabeth Muriel Dias	Nil	Nil	Nil	1	0	Nil	NA
7.	Achama Coutinho	Nil	Nil	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	39984729	100	3998473	73.36
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 Equity Share capital of the Company was consolidated from Re. 1 to Rs. 10 each w.e.f. 01.07.2016 and hence the quantum of the shares has been reduced.			
	At the End of the year	3998473	73.36	3998473	73.36

**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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	VINOD SOMANI	--	--	112000	2.05
2	WEALTH FIRST PORTFOLIO MANAGERS LIMITED	--	--	108000	1.98
3	NIDHI BIYANI	--	--	84000	1.84
4	RASHMI AGARWAL	--	--	64000	1.17
5	LAXMI KANT BIYANI	--	--	52000	0.95
6	ADHEESH KABRA HUF.	--	--	28000	0.51
7	SAURABH AGRAWAL	--	--	28000	0.51
8	WEALTH FIRST ADVISORS PVT LTD	--	--	28000	0.51
9	PUSHPA	--	--	24000	0.44
10	NARESH KUMAR BHARGAVA	--	--	24000	0.44

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 figures for "Shareholding at the beginning of the year" are not indicated as the Company got listed on December 06, 2016 on NSE Emerge Platform.

**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>13091478</b>	<b>32.74</b>	<b>1309147</b>	<b>24.02</b>
2	<b>Mr. Dax F Theknath</b> Whole-time Director	<b>11920000</b>	<b>29.81</b>	<b>1192000</b>	<b>21.87</b>
3	<b>Mrs. Agnes F Theknath</b> Non-Executive Director	<b>14973211</b>	<b>37.45</b>	<b>1497321</b>	<b>27.47</b>

Note: Except above stated, none of the other Director and KMP hold any shares in the Company as on 31.03.2017.

**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	52219307	16751083	Nil	68970390
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>52219307</b>	<b>16751083</b>	<b>Nil</b>	<b>68970390</b>
Change in Indebtedness during the financial year				
- Addition	42837971	Nil	Nil	42837971
- Reduction	50386664	16751083	Nil	67137747
<b>Net Change</b>	<b>(7548693)</b>	<b>(16751083)</b>	<b>Nil</b>	<b>(24299776)</b>
<b>Indebtedness at the end 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>

**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	
<b>1</b>	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6929400	3663000	1398546*	206435**	14055299
	(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
<b>2</b>	Stock Option	0	0	0	0	0
<b>3</b>	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>6929400</b>	<b>3663000</b>	<b>1398546</b>	<b>206435</b>	<b>14055299</b>
	Ceiling as per the Act	Within Schedule V of the Act	Within Schedule V of the Act	--	--	

**Note: \* w.e.f. 25.07.2016**

**\*\* w.e.f. 19.07.2016**

**B. Remuneration to other Directors:**

Particulars of Remuneration	Name of Independent Directors		Total Amount
	Nikhil Arya	Pankaj Gupta Kumar	
Fee for attending board committee meetings	50,000	50,000	1,00,000
·Commission	0	0	0
·Others, please specify	0	0	0
<b>Total(1)</b>	<b>0</b>	<b>0</b>	<b>1,00,000</b>
<u>Other Non-Executive Directors</u>	0	0	0
·Fee for attending board committee meetings			
·Commission	0	0	0
·Others, please specify	0	0	0
<b>Total(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total(B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>1,00,000</b>

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

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

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

Place : Mumbai,

Date : 29.05.2017



**FORM No. MR-3:****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(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 was originally incorporated as a Private Limited Company on 13.04.2006 and was converted into a Public Limited Company on 16.07.2016-. The Company got listed on the SME Emerge Platform of National Stock Exchange of India Ltd (NSE) on December 6, 2016.

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, 2017 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, 2017 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 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 Indian Carriage of Goods by Sea Act, 1952.

### 3. The Multimodal Transportation of Goods Act, 1993.

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. Further, the Company allotted on 27.06.2016 1 (One) equity share of Rs. 10/- each before the consolidation of equity shares of Re 1/- each into a share of Rs. 10/- each on 01.07.2016..

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 which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

1. The Company got converted from private limited company to public limited company w.e.f July 16, 2016 by virtue of which all the laws, rules, guidelines of a public limited company, is now applicable to the company.
2. The Company had increased the authorized share capital of the company from Rs. 4,00,00,000/- (Rupees Four Crores only) divided into 4,00,00,000 equity shares of Re. 1/- (Rupees One) each to Rs. 6,00,00,000/- (Rupees Six Crores Only) by approving in the Board Meeting held on June 27, 2016 & in the Extra-Ordinary General Meeting held on July 01, 2016.
3. The Company had consolidated its equity share capital from Re. 1 to Rs. 10 each by approving in the Board Meeting held on June 27, 2016 & in the Extra-Ordinary General Meeting held on July 01, 2016.
4. The company entered the capital market with its maiden initial public offering (IPO) of 14,52,000 equity shares of face value of Rs. 10/- and at a premium of Rs. 18/- per share, aggregating to Rs. 4,06,56,000. The issue opened for subscription on November 24, 2016 and closed on November 28, 2016 and was oversubscribed by 5.04 times. The equity shares have been listed on the SME Emerge Platform of National Stock Exchange of India Ltd (NSE) w.e.f. December 06, 2016. Consequently, the Company's paid up capital had increased from Rs. 3,99,84,730/- to Rs.5,45,04,730/-.

**For Parikh & Associates**  
Company Secretaries

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

Place: Mumbai

Date: 29.05.2017

*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

Place: Mumbai

Date: 29.05.2017

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

## 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
Not Applicable								

**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	Jet Clearing Forwarding & Shipping Agent (A firm in which a Director is a Partner)	Availing of the CHA services. (Custom Housing Agency)	April 2016- March 2017	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 2016- March 2017	Nil	30.03.2017	Nil

Note: The Details mentioned in point no. 2 are at arm's length and into 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: 29.05.2017**

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

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

**ANNEXURE - D****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 to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

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) appointed wef 20.06.2016	24.71:1
		Mr. Dax F Theknath, Whole-Time Director (WTD) appointed wef 20.06.2016	13.06:1
		Mrs. Agnes F Theknath, Non-Executive Director	Nil
		Mr. Nikhil S Arya, Independent Director appointed wef 25.07.2016	Nil
		Mr. Pankaj Gupta Kumar, Independent Director appointed wef 25.07.2016	Nil
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)	64.40 % wef 01.04.2016
		Mr. Dax F Theknath, Whole-Time Director (WTD)	60.45 % wef 01.04.2016
		Mr. Jabir S Contractor, Chief Financial Officer (CFO) appointed wef 25.07.2016	N.A.*
		Ms. Shraddha P Mehta, Company Secretary & Compliance Officer (CS) appointed wef 19.07.2016	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 119 employees as on 31 <sup>st</sup> March 2017	
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 14.89%, while the average increase in the remuneration of the Key Managerial Personnel is the range of 62.43%. The above difference has been occurred on account of the company being converted into a public limited company wef 16.07.2016 and also proposing itself to come out with an IPO whereby there was a requirement to appoint KMPs in accordance with the provisions of the Section 203 of the Companies Act, 2013 and the rules made thereunder.	
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.	

\*Details are not provided for Mr. Jabir S Contractor, Chief Financial Officer (CFO) as he was appointed wef 25.07.2016 and for Ms. Shraddha P Mehta, Company Secretary & Compliance Officer (CS) as she was appointed wef 19.07.2016. Both were employed in the Financial Year 2016-2017.

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

Place: **MUMBAI**  
Dated: **29.05.2017**

**Richard Theknath**  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Global Economic Overview:

Global air cargo market will grow at a steady CAGR of close 5% p.a. One of the primary drivers for this market is the constant rise in e-commerce activities across the world. In e-commerce, since vendors have to ship orders fast, the demand for air cargo services has gone up considerably. As geographic borders do not restrict online retailers, shipping products by air will result in quicker deliveries. The ability of this mode of transportation to move goods from one location to another within a short span of time will result in its increased popularity among end users. During the year 2017, it's been a good start to the year for air cargo. Demand growth accelerated in January, bolstered by strengthening export orders. And that outpaced the capacity growth which should be positive for yields. And, longer-term, the entry into force of the Trade Facilitation Agreement (TFA) will cut red tape at the borders for faster, cheaper and easier trade. The onus is now on the industry to seize the opportunity to accelerate the modernization of processes to make air cargo an even more compelling option for shippers.

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

India's air cargo industry is expected to handle 2.8 million tons of cargo by 2018, 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.

### 3. Company Business Outlook:

The approx. market size of Air cargo industry in India is 2.6 MN tonnes. However there is no official statistics provided by the government of India. The figure is based on the research reports published by various chambers, associations and trade channels. Going by this, your company has carried a tonnage of 34000 which works out to approx. 1.4% of the entire industry tonnage. Hence there exists a vast potential market share to be explored by the company.

As a strategic business decision, your Board of Directors decided to undertake Domestic cargo activity by setting up a separate vertical with all the infrastructure in place at its Mumbai and Delhi Branch. To start with Mumbai and Delhi are the two major hubs being covered. However there are plans in place to exploit other regions in order to increase the market share.

Further horizontal expansion by way of increase in number of branches is also envisaged in business plan to gain the market share.

Diversification into more of General cargo and increasing the revenue contribution from it is going to be the way forward. Since clientele in general cargo business being more from organised sectors having corporate identity, the company would even explore Receivable factoring services from banks. As a result of this, your company would be in a position to provide long credit period which is a pre-requisite to gain business from various pharma, chemicals, FMCG companies.

Inorganic growth would be the other area which your company is always open to for further growth. However there should be synergy in the business to be acquired which in the long run should add to the shareholder value.

Discussions and negotiations are on the table for overseas diversification by setting up either a branch or a wholly owned subsidiary to exploit the overseas markets.

Your company has a vision to achieve a market capitalisation of Rs.100 CR within next two years. For this your company is all geared to embark on this journey with the right kind of people and processes in place to reach the destination.

### 4. 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 can pose a challenge for the company.
- Company's excessive dependence on perishable shipment poses a challenge in terms of concentration of business risk.



**5. 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.

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. Adding further, an Additional Director in the category of an Independent Director has been appointed with a banking and finance background, basically an ex-banker in order to facilitate the funding from the banks.

**6. Opportunities :**

- Your company foresees a lot of opportunities in Domestic freight forwarding due to a big growth in the volume of e-commerce business in India. With the advent of GST, a lot of unorganised players in the industry would get weeded out as working capital requirement for all the companies would increase substantially. Hence companies with deep pocket would be able to take advantage in terms of better rates from Airlines as well as better negotiations powers with the shippers.
- There are opportunities in terms of inorganic growth whereby Jet Freight can acquire a business either in the same business or can go for acquisition in different vertical. Consolidation of business is the way forward in freight forwarding industry with the advent of GST.
- With the boom in e-commerce business in India, warehousing can be an additional facility which your company can offer to its existing shippers as well as domestic e-commerce companies. End to end solution providers is the ultimate aim of the company.
- Due to our existing long standing relationship with most of the domestic airlines there are opportunities to provide further load to the airlines and in turn getting better rates for domestic freight forwarding activity. This would be an USP from our company to the shippers whereby we can form alliance with domestic courier companies by providing back end services.
- Overseas freight forwarding markets is another area which your company would like to explore. Having a sizeable market share of exporters of perishable items, the company can offer further services of overseas clearance and transportation of material up to importers warehouse. To an extent, this would be an end to end solution to its existing shippers.

**7. Segment-wise Performance:**

The company operates in a single segment.

**8. 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.

**9. Discussion on financial performance with respect to operational performance:**

To mitigate the risks factors referred above that impact 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.

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

There were significant appointments to the top management of the company such as the Managing Director & Whole-Time Director who were appointed w.e.f. June 20, 2016, Chief Financial Officer who was appointed w.e.f. July 25, 2016 and Company Secretary & Compliance Officer who was appointed w.e.f. July 19, 2016. More detailed information has been given in the Directors Report.

Total 119 number of employees were employed as on March 31, 2017.

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

Place: MUMBAI  
Dated: 29.05.2017

Richard Theknath  
Managing Director

Dax Theknath  
Whole-time Director

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Jet Freight Logistics Limited (Formerly Known as Jet Freight Logistic Private Limited)**

### Report on the Financial Statements

1. We have audited the accompanying financial statements of Jet Freight Logistics Limited (Formerly Known as Jet Freight Logistic Private Limited) ("the Company") which comprise the Balance Sheet as at March 31, 2017, 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, 2017, 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, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the 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.
  - iv. The Company has provided requisite disclosures in Note 32 to these standalone financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of account and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained 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, 2017

### **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" (Formerly Known as Jet Freight Logistic Private Limited) on the standalone financial statements for the year ended March 31, 2017

#### **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 (Formerly Known as Jet Freight Logistic Private Limited) ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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, 2017, 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, 2017

#### **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 for the year ended March 31, 2017

- 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, and cess have been regularly deposited 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 or value added tax 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 Nidhi 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- 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, 2017

## Balance Sheet as at March 31, 2017

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Fund</b>			
Share Capital	3	54,504,730	39,984,729
Reserves and Surplus	4	81,339,292	29,028,331
		<b>135,844,022</b>	69,013,060
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	44,670,614	68,970,390
Deferred Tax Liabilities (net)	6	5,785,930	4,047,944
Long-Term Provisions	7	5,463,605	3,617,072
		<b>55,920,149</b>	76,635,406
<b>Current Liabilities</b>			
Short-Term Borrowings	8	119,977,387	72,841,594
Trade Payables	9	148,006,582	161,285,777
Other Current Liabilities	10	120,813,112	70,387,798
Short-Term Provisions	11	241,200	136,124
		<b>389,038,281</b>	304,651,293
<b>TOTAL</b>		<b>580,802,452</b>	450,299,759
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b><u>Fixed Assets:</u></b>	12		
Tangible Assets		91,383,167	38,988,100
Intangible Assets		24,822,466	24,965,674
Non-Current Investment	13	20,000	520,000
Long-Term Loans and Advances	14	2,011,582	2,930,582
Other Non-Current Assets	15	65,227,658	60,955,416
		<b>183,464,873</b>	128,359,772
<b>Current Assets</b>			
Trade Receivables	16	355,245,863	286,877,832
Cash and Cash Equivalents	17	22,795,523	21,031,092
Short-Term Loans and Advances	18	19,296,193	14,031,063
		<b>397,337,579</b>	321,939,987
<b>TOTAL</b>		<b>580,802,452</b>	450,299,759

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

### For and on behalf of Board of Directors

Richard Theknath

Director

DIN No.- 01337478

Dax Theknath

Director

DIN No. - 01338030

Shraddha Mehta

Company Secretary

M No.: 44186

Jabir Contractor

Chief Financial Officer

Place : Mumbai

Date: May 29, 2017

Place : Mumbai

Date: May 29, 2017



## Statement of Profit and Loss for the Year Ended March 31st, 2017

(Amount in Rs.)

Particulars	Note No.	Year Ended March 31st, 2017	Year Ended March 31, 2016
<b>Revenue:</b>			
Revenue from Operations	19	2,167,191,519	2,065,735,430
Other Income	20	557,018	1,010,448
<b>Total Revenue</b>		<b>2,167,748,537</b>	<b>2,066,745,878</b>
<b>Expenses:</b>			
Purchases	21	1,983,507,000	1,929,116,581
Employee Benefits Expenses	22	53,158,267	49,618,263
Finance Costs	23	22,671,200	21,133,830
Depreciation and Expenses	12	6,569,396	6,678,866
Other Expenses	24	40,756,652	44,959,517
<b>Total Expenses</b>		<b>2,106,662,515</b>	<b>2,051,507,057</b>
<b>Profit Before Tax</b>		<b>61,086,022</b>	<b>15,238,821</b>
<b>Tax Expenses:</b>			
Current Tax		20,464,048	5,460,930
Deferred Tax		1,737,986	224,318
<b>Profit For The Year</b>		<b>38,883,988</b>	<b>9,553,573</b>
<b>Earnings Per Share (Rs.) [Nominal value per share : Rs. 10 (March 31,2016 : Rs. 1)]</b>	33		
- Basic Earning Per Share (previous year reinstated)		8.69	2.39
- Diluted Earning Per Share (previous year reinstated)		8.69	2.39

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

Place : Mumbai  
Date: May 29, 2017

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

Richard Theknath  
Director  
DIN No.- 01337478

Shraddha Mehta  
Company Secretary  
M No.: 44186

Place : Mumbai  
Date: May 29, 2017

Dax Theknath  
Director  
DIN No. - 01338030

Jabir Contractor  
Chief Financial Officer

## Cash Flow Statement For The Year Ended 31st March, 2017

(Amount in Rs.)

NO.	PARTICULARS	For the Year ended March 31st, 2017		For the Year ended March 31, 2016	
<b>A.</b>	<b>Cash Flows From Operating Activities:</b>				
	<b>Profit Before Taxation</b>	61,086,022		15,238,821	
	<b>Adjustments:</b>				
	Depreciation	6,569,396		6,678,866	
	Dividend Income	(60,300)		(60,300)	
	Finance Charges	22,671,200		21,133,830	
	(Profit) / Loss on Sale of Fixed Assets	(97,660)		727,048	
	<b>Operating Profit Before Working Capital Changes</b>	90,168,658		43,718,265	
	<u>Adjustments for Working Capital Changes:</u>				
	(Increase)/Decrease in Trade Receivables	(68,368,031)		(64,657,338)	
	(Increase)/Decrease in Short term Loans & Advances	(5,265,130)		(528,475)	
	(Increase)/Decrease in Other Non-Current Assets	(4,272,240)		721,226	
	Increase/(Decrease) in Trade Payables	(13,279,195)		40,391,149	
	Increase/(Decrease) in Other Current Liabilities	50,425,314		14,180,829	
	Increase/(Decrease) in Short term provisions	105,076		(2,654,194)	
	Increase/(Decrease) in Long term Provisions	1,846,533		263,064	
	(Increase)/Decrease in Long term Loans & Advances	919,000		(11,040)	
	Increase/(Decrease) in DTL	1,737,986		224,318	
	<b>Cash Flows From Operations</b>	<b>54,017,971</b>		<b>31,647,804</b>	
	<b>Less: Income Tax Paid</b>	30,398,959		5,685,249	
	<b>Net Cash Flows From (Used in) Operating Activities</b>		<b>23,619,012</b>		<b>25,962,555</b>
<b>B.</b>	<b>Cash Flows Used in Investing Activities:</b>				
	Purchase of Fixed Assets	(59,600,117)		(8,652,488)	
	Proceeds from Sale of Investments in Equity Shares	500,000		-	
	Proceeds from Sale of Fixed Assets	876,522		2,198,951	
	Dividend Income	60,300		60,300	
	<b>Net Cash Flows Used in Investing Activities</b>		<b>(58,163,295)</b>		<b>(6,393,237)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities:</b>				
	Proceeds from Issue of Equity shares	40,656,000		-	

## Cash Flow Statement For The Year Ended 31st March, 2017 (Contd..)

(Amount in Rs.)

NO.	PARTICULARS	For the Year ended March 31st, 2017		For the Year ended March 31, 2016	
	Issue Expenses	(4,512,103)		-	
	Secured Loans taken	-		13,270,542	
	Unsecured Borrowings from Directors			14,884,582	
	Repayment of Unsecured Borrowings from NBFC			(500,948)	
	Repayment of Secured loans	(7,548,693)		-	
	Repayment of Loan taken from Directors	(16,751,083)		-	
	Increase/(Decrease) in Short Term Borrowings	47,135,793		645,029	
	Finance Charges	(22,671,200)		(21,133,830)	
	<b>Net Cash Flows From Financing Activities</b>		<b>36,308,714</b>		<b>7,165,375</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>1,764,431</b>		<b>26,734,693</b>
	<b>Cash and Cash Equivalents at the Beginning</b>		<b>21,031,092</b>		<b>(5,703,601)</b>
	<b>Cash and Cash Equivalents at the End</b>		<b>22,795,523</b>		<b>21,031,092</b>

The classification of Assets & Liabilities has been modified as per Revised Schedule III.

### 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

Place : Mumbai  
Date: May 29, 2017

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

Richard Theknath  
Director  
DIN No.- 01337478

Shraddha Mehta  
Company Secretary  
M No.: 44186

Place : Mumbai  
Date: May 29, 2017

Dax Theknath  
Director  
DIN No. - 01338030

Jabir Contractor  
Chief Financial Officer

## **1 CORPORATE INFORMATION**

The Jet Freight Logistics Limited (Formerly Known as Jet Freight Logistics Private 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, except for certain tangible assets which are being carried at revalued amounts. 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, Incentives & Commission 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, 2017		As at March 31, 2016	
	Number of Shares	Value of Shares	Number of Shares	Value of Shares
<b>Authorized Share capital</b>				
Equity Shares of Rs. 10/- each. (March 31, 2016 : Equity Shares of Re.1/- each) (Refer note : 3(a) below)	6,000,000	60,000,000	40,000,000	40,000,000
<b>Issued, subscribed &amp; paid-up capital</b>				
Equity Shares of Rs.10/- each fully paid-up (March 31, 2016 : Equity Shares of Re.1/- each) (Refer note : 3(a) below)	5,450,473	54,504,730	39,984,729	39,984,729
<b>TOTAL</b>	<b>5,450,473</b>	<b>54,504,730</b>	<b>39,984,729</b>	<b>39,984,729</b>

Reconciliation of Shares	As at March 31, 2017		As at March 31, 2016	
	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	39,984,729	39,984,730	39,984,729	39,984,729
Add : Issue of Equity Shares (Refer note : 3(b) below)	1,452,000	14,520,000	-	-
Less : Consolidation of Equity Shares	(35,986,256)	-	-	-
<b>Balance as at Closing of the year</b>	<b>5,450,473</b>	<b>54,504,730</b>	<b>39,984,729</b>	<b>39,984,729</b>
<b>Balance as at Closing of the year</b>	<b>5,450,473</b>	<b>54,504,730</b>	<b>39,984,729</b>	<b>39,984,729</b>

### Notes

3(a) : The Board of Directors of the Company at its meeting held on June 27, 2016 has approved the consolidation of each lot of 10 equity shares of the Company having a face value of Re.1/- per share into 1 equity shares having a face value of Rs. 10/- each . This has been approved by the shareholders at their meeting held on July 1, 2016.

3(b) : The company has also raised the share capital by issuing 14,52,000 (Fourteen Lakhs Fifty Two Thousand Only) number of equity shares of Face Value Rs.10/- each by way of Initial Public Offer in the open market at security premium of Rs.18 per share. The record date of the Initial Public Offer was December 1, 2016.

### List of Shareholders holding more than 5% Equity share capital

	As at March 31, 2017		As at March 31, 2016	
	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	24.02	-	-
Dax Theknath	1,192,000	21.87	-	-
Agnes Teknath	1,497,321	27.47	-	-
<b>Equity Shares of Re.1/- each fully paid-up</b>				
Richard Theknath	-	-	13,091,478	32.74
Dax Theknath	-	-	11,920,000	29.81
Agnes Teknath	-	-	14,973,251	37.45

### Terms/ rights attached to Equity Shares :-

The company has only one class of equity shares having a par value of Rs.10 per share (previous year Re.1 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.



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

## NOTE 4 RESERVES &amp; SURPLUS

	As at March 31, 2017	As at March 31, 2016
<b><u>Surplus in the Statement of Profit &amp; Loss Account</u></b>		
Balance as at beginning of the year	25,932,149	16,378,576
Add: Profit for the year	38,883,988	9,553,573
Less: Income Tax adjustments of prior years	(8,196,924)	-
Balance as at Closing of the year	56,619,213	25,932,149
<b><u>Securities Premium</u></b>		
Balance as at beginning of the year	3,096,182	3,096,182
Add: Premium on shares issued during the year ( Refer Note 3 (b))	26,136,000	-
Less: Share Issue Expenses	(4,512,103)	-
Balance as at Closing of the year	24,720,079	3,096,182
<b>TOTAL</b>	<b>81,339,292</b>	<b>29,028,331</b>

## NOTE 5 LONG TERM BORROWINGS

	As at March 31, 2017	As at March 31, 2016
<b>Secured</b>		
<u>Term Loan from Banks</u>		
Kotak Bank Ltd. (Refer Note 30)	42,338,338	
Indusind Bank Ltd. (Refer Note 30)		48,988,172
<u>Vehicle Loans</u>		
ICICI Bank Limited - Loan against Landrover	420,693	1,382,681
HDFC Bank Limited - Loan against Innova	499,633	-
BMW Financial Services - Loan against BMW	1,411,950	1,848,454
<b>TOTAL (A)</b>	<b>44,670,614</b>	<b>52,219,307</b>
<b>Unsecured</b>		
(i) From Directors	-	16,751,083
<b>TOTAL (B)</b>	<b>-</b>	<b>16,751,083</b>
<b>TOTAL (A+B)</b>	<b>44,670,614</b>	<b>68,970,390</b>

## (a) Terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
1. Rupee term loan amounting to Rs. 205.68 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 80 monthly installments. Last installment due in March 2023. Rate of interest 10.30%.
2. Rupee term loan amounting to Rs. 203.05 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 10.30%.
3. Rupee term loan amounting to Rs. 76.02 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 10.30%.
4. Rupee Vehicle loan amounting to Rs. 13.83 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%.
5. Rupee Vehicle loan amounting to Rs. 18.34 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%.
6. Rupee Vehicle loan amounting to Rs. 8.35 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%.
7. Lien Over FD of Rs.100.00Lakhs.	

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

### NOTE 6 DEFERRED TAX LIABILITIES ( NET )

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Deferred Tax Liabilities arising on account of Timing differences in : - Depreciation	7,686,541	4,047,944
Deferred Tax Assets arising on account of Timing differences in : Provision for Gratuity	(1,700,141)	-
Provision for Leave Encashment	(200,470)	-
<b>TOTAL</b>	<b>5,785,930</b>	<b>4,047,944</b>

### NOTE 7 LONG-TERM PROVISIONS

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Provision for Gratuity	4,888,734	3,617,072
Provision For Leave Encashment	574,871	-
<b>TOTAL</b>	<b>5,463,605</b>	<b>3,617,072</b>

### NOTE 8 SHORT TERM BORROWINGS

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
<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)	119,977,387	72,841,594
<b>TOTAL</b>	<b>119,977,387</b>	<b>72,841,594</b>

### NOTE 9 TRADE PAYABLES

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Trade Payables	148,006,582	161,285,777
<b>TOTAL</b>	<b>148,006,582</b>	<b>161,285,777</b>

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

### NOTE 10 OTHER CURRENT LIABILITIES

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Current maturities of long-term debt (Refer to Note 5a )	7,876,972	6,825,734
Creditors for expenses	7,676,020	8,630,153
Creditors for Capital Goods	40,742,550	-
Book Overdraft with Scheduled Banks	55,919,276	41,367,278
TDS Payable	3,363,714	5,012,881
Profession Tax Payable	17,600	50,624
P F Payable Employee	141,946	133,326
P F Payable Employer	147,861	-
ESIC Payable	14,991	19,967
LWF Payable	-	2,933
Director Remuneration payable	489,778	341,500
Salary Payable	2,873,937	1,614,903
Education Cess Payable	88,591	218,352
Service Tax Payable	1,459,876	6,170,147
<b>TOTAL</b>	<b>120,813,112</b>	<b>70,387,798</b>

### NOTE 11 SHORT TERM PROVISIONS

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Provision for gratuity	209,743	136,124
Provision for Leave Encashment	31,457	-
<b>TOTAL</b>	<b>241,200</b>	<b>136,124</b>

## Notes forming part of the Financial Statements

## NOTE 12 - Fixed Assets

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Addition	Adjustments/ Deduction	As at March 31, 2017	As at April 1, 2016	For the year ended	Adjustments/ (Deduction)	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
TANGIBLE										
Land & Building	-	56,730,000	300,030	57,030,030	-	3,108	107,624	110,732	56,919,298	-
Office Equipments	2,082,743	262,975	-	2,345,718	763,355	411,347	-	1,174,702	1,171,016	1,354,320
Vehicles	10,248,318	2,020,512	(1,456,178)	10,812,652	1,021,708	1,395,062	(684,392)	1,732,378	9,080,274	9,226,610
Computers	4,213,798	498,680	(8,238)	4,704,240	3,106,473	986,787	(1,172)	4,092,088	612,152	1,072,392
Furniture and Fixture	37,354,932	37,950	-	37,392,882	10,241,074	3,551,382	-	13,792,455	23,600,427	27,113,858
Leasehold Improvement	300,030	-	(300,030)	-	79,121	28,503	(107,624)	-	-	220,919
TOTAL (A)	54,199,821	59,550,117	(1,464,416)	112,285,522	15,211,731	6,376,189	(685,564)	20,902,355	91,383,167	38,988,100
INTANGIBLE										
Computer Software	759,334	50,000	-	809,334	718,210	50,929	-	769,139	40,195	41,124
License	26,218,260	-	-	26,218,260	1,293,711	142,278	-	1,435,989	24,782,271	24,924,549
TOTAL (B)	26,977,594	50,000	-	27,027,594	2,011,921	193,207	-	2,205,128	24,822,466	24,965,673
TOTAL (A) + (B)	81,177,415	59,600,117	(1,464,416)	139,313,116	17,223,652	6,569,396	(685,564)	23,107,483	116,205,633	63,953,773
As at March 31, 2016	77,622,100	8,652,488	(5,092,573)	81,182,015	12,715,959	6,678,866	- 2,166,582	17,228,243	63,953,772	64,906,142

## 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 :

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

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

### NOTE 13 NON-CURRENT INVESTMENT

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
<b>Trade Investment (Un-Quoted)</b>		
Equity Shares in Co-op Banks	20,000	520,000
<b>TOTAL</b>	<b>20,000</b>	<b>520,000</b>

### NOTE 14 LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
<b>Security Deposit</b>		
Unsecured, Considered Goods	2,011,582	2,930,582
<b>TOTAL</b>	<b>2,011,582</b>	<b>2,930,582</b>

### NOTE 15 OTHER NON-CURRENT ASSETS

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Education Cess Receivable	7,302	8,771
Fixed Deposits with maturity more than 12 months ( Refer Note 5(a)(7)	10,000,000	-
TDS Receivable (Net of Provision)	55,220,356	60,946,645
<b>TOTAL</b>	<b>65,227,658</b>	<b>60,955,416</b>

### NOTE 16 TRADE RECEIVABLES

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
<b>Unsecured,considered good</b>		
- Period exceeding six months from due dates	64,900,941	59,461,977
- Others	290,344,922	227,415,855
<b>TOTAL</b>	<b>355,245,863</b>	<b>286,877,832</b>

### NOTE 17 CASH AND CASH EQUIVALENTS

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
<b>Cash and Cash Equivalents</b>		
Cash on Hand	1,342,211	843,785
Balances with banks		
-In current account	12,975,679	11,335,257
(Negative to the extent cheques issued but not presented in bank)		
- In fixed deposits (less than 3 months maturity)	-	300,000
<b>Other Bank Balances</b>		
- Fixed deposits with maturity period more than 3 months but less than 12 month	8,477,633	8,552,050
<b>TOTAL</b>	<b>22,795,523</b>	<b>21,031,092</b>

### NOTE 18 SHORT TERM LOANS AND ADVANCES

(Amount in Rs.)

	As at March 31, 2017	As at March 31, 2016
Advances recoverable in cash or in kind or for value to be received	11,514,872	6,225,675
Service Tax Receivable	-	2,280,837
Advances to vendors	5,281,321	5,524,551
Capital advances recoverable in nature	2,500,000	-
<b>TOTAL</b>	<b>19,296,193</b>	<b>14,031,063</b>

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

## NOTE 19 REVENUE FROM OPERATIONS

(Amount in Rs.)

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
<b>Sales</b>		
Sales/Income	1,926,594,270	1,842,310,073
<b>Other Operating Revenues/Income:</b>		
Agency Commission	65,073,835	67,452,355
Due Agent	1,246	231,700
Incentive	175,522,168	155,741,302
<b>TOTAL</b>	<b>2,167,191,519</b>	<b>2,065,735,430</b>

## NOTE 20 OTHER INCOME

(Amount in Rs.)

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
Profit on Sale of Fixed Assets	97,660	-
Divident received	60,300	60,300
Miscellaneous Income	399,058	950,148
<b>TOTAL</b>	<b>557,018</b>	<b>1,010,448</b>

## NOTE 21 PURCHASES

(Amount in Rs.)

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
Purchases & Expenses	1,755,115,028	1,649,889,185
Other Direct Expenses	228,391,972	279,227,396
<b>TOTAL</b>	<b>1,983,507,000</b>	<b>1,929,116,581</b>

## NOTE 22 EMPLOYEES BENEFIT EXPENSES

(Amount in Rs.)

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
Salary, Bonus & Other Allowances	37,013,394	39,480,193
Employer Contribution to Provident Fund	1,721,490	1,561,275
Remuneration to Directors (Refer Note 27 (ii))	10,592,400	7,221,000
Gratuity Expenses	1,907,960	481,120
Leave Encashment	606,328	-
Staff Welfare Expenses	1,316,695	874,675
<b>TOTAL</b>	<b>53,158,267</b>	<b>49,618,263</b>

## NOTE 23 FINANCE COSTS

(Amount in Rs.)

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
Bank Interest	19,777,193	17,955,053
Interest on Car Loans	684,140	416,239
Bank Charges	2,209,867	2,762,538
<b>TOTAL</b>	<b>22,671,200</b>	<b>21,133,830</b>

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

### NOTE 24 OTHER EXPENSES

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
Administration Expenses	122,156	161,961
Agency Fees	156,908	1,879,133
Auditors Remuneration*	703,713	403,648
License Fees	42,500	174,023
Bad Debts	414,803	8,865,900
Business Promotion Expenses	4,406,306	5,088,353
Communication Expenses	2,671,130	2,519,371
Director Sitting Fees	100,000	-
Electricity Charges	1,616,818	1,515,937
Foreign Exchange Loss	249,615	364,561
Housekeeping Expenses	346,277	516,028
Professional Fees	5,454,233	3,730,573
Insurance Expenses	1,197,289	934,010
Interest on service tax	1,505,188	476,979
Interest on IncomeTax	1,086,350	877,634
Interest on Profession Tax	20,408	-
Membership & Subscription	215,598	559,177
Office Expenses	2,231,593	1,327,723
Printing & Stationery	3,142,497	1,887,117
Postage & Courier Expenses	250,225	240,989
Profit or loss on Sale of asset	-	727,048
Repairs & Maintainance	2,300,281	2,170,118
Rent, Rates & Taxes	5,232,023	4,884,597
Stamp Duty Charges	1,689,500	-
Travelling Expenses	3,413,785	4,403,339
Miscellaneous Expenses	2,187,457	1,251,298
<b>Total</b>	<b>40,756,653</b>	<b>44,959,517</b>

*Auditors Remuneration		
<b>Audit Fees</b>		
Audit Fees	400,000	200,000
Tax Audit Fees	100,000	50,000
Taxation and Other Matters	203,713	153,648
<b>Total</b>	<b>703,713</b>	<b>403,648</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.)

Name of the Company	As at March 31, 2017	As at March 31, 2016
Air India Ltd.	-	240,000
IATA	450,000	900,000
Emirates	6,000,000	6,000,000
Cathay pacific Airways	1,500,000	-
Qatar Airways	10,300,000	10,292,000
Allied(Qatar)	-	200,000



- 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.

**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 :-**

<b>Description</b>	<b>Name</b>
Key Managerial Personnel (KMP)	Richard Theknath (Director)
	Dax Theknath (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
	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 31, 2017</b>	<b>Year Ended March 31, 2016</b>
1	<b>Remuneration</b>			
	Mr. Richard Theknath	Director	6,929,400	4,815,000
	Mr. Dax Theknath	Director	3,663,000	2,406,000
	Mr. Jabir Contractor	Chief Financial Officer (KMP)	1,398,546	499,765
	Ms. Shraddha Mehta	Company Secretary (KMP)	206,435	-
2	<b>Loan Taken</b>			
	Mr. Richard Theknath	Director	7,365,089	3,151,244
	Mr. Dax Theknath	Director	14,604,555	5,934,823
	Ms. Agnes Theknath	Director	-	24,436,708
	Rex Quality Products Pvt Ltd.	Enterprise in which KMP are able to exercise Significant Influence	16,992,426	-
3	<b>Loan Repaid</b>			
	Mr. Richard Theknath	Director	8,535,310	2,225,023
	Mr. Dax Theknath	Director	17,635,880	4,526,000
	Ms. Agnes Theknath	Director	12,549,537	8,983,790
	Rex Quality Products Pvt Ltd.	Enterprise in which KMP are able to exercise Significant Influence	15,715,453	-
4	<b>Advances Given</b>			
	Mr. Jabir Contractor	Chief Financial Officer (KMP)	1,500,000	-
	Rex Quality Products Pvt Ltd.	Enterprise in which KMP are able to exercise Significant Influence	-	1,276,973
5	<b>Freight Income</b>			
	Rex Quality Products Pvt Ltd.	Enterprise in which KMP are able to exercise Significant Influence	20,375,728	24,120,618
6	<b>Agency Charges incurred</b>			
	Jet Clearing Forwarding & Shipping Agent	Enterprise in which KMP are able to exercise Significant Influence	1,180,500	1,344,000

(iii) Balances at the year end:

(Amount in Rs.)

Sr No.	Nature of the Transaction	Nature of Relationship	Year Ended March 31st, 2017	Year Ended March 31, 2016
1	<b>Loans &amp; Advances Taken</b>			
	From Directors			
	Mr. Richard Theknath	Director	-	1,170,221
	Mr. Dax Theknath	Director	-	3,031,325
	Ms. Agnes Theknath	Director	-	12,549,537
2	<b>Loans &amp; Advances Given</b>			
	Rex Quality Products Pvt Ltd.	Enterprise in which KMP are able to exercise Significant Influence	-	1,276,973
3	<b>Trade Receivable</b>			
	Rex Quality Products Pvt Ltd.	Enterprise in which KMP are able to exercise Significant Influence	5,868,378	3,435,133
4	<b>Trade Payable</b>			
	Jet Clearing Forwarding & Shipping Agent	Enterprise in which KMP are able to exercise Significant Influence	1,304,589	1,208,589

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 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:		
	- Employers' Contribution to Provident Fund	Year Ended March 31, 2017	Year Ended March 31, 2016
	- Employers' Contribution to Employees' State Insurance	1,721,490	1,561,275
		282,500	242,132
	<b>TOTAL</b>	<b>2,003,990</b>	<b>1,803,407</b>

**II Defined Benefit Plans**

**Contribution to Gratuity Fund (Unfunded Defined Benefit Plan)**

The components of the net gratuity cost for the years ended March 31, 2017 and March 31, 2016 as per Acturial Valuation are as follows:

a)	Major	Assumptions	
		Year Ended March 31, 2017	Year Ended March 31, 2016
	Discount Rate	7.27%	7.86%
	Salary Escallation Rate	8%	8%
	Employee Attrition Rate	5%	5%
b)	Change in Present Value of	Obligation	
		Year Ended March 31, 2017	Year Ended March 31, 2016
	Opening Present Value of Obligation	3,753,196	3,313,614
	Current Service Cost	752,730	996,247
	Interest Cost	295,001	265,637
	Benefit Paid	(562,679)	(41,538)
	Actuarial Loss/ (gain) on Obligations	860,229	(780,764)
	CLOSING PRESENT VALUE OF OBLIGATION	5,098,477	3,753,196

(Amount in Rs.)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
	Gratuity	
Current Service Cost	752,730	996,247
Interest Cost	295,001	265,637
Actuarial (Gain)/ Loss	860,229	-780,764
<b>Expenses Recognized in Profit and Loss Account</b>	<b>1,907,960</b>	<b>481,120</b>

- 30 Term Loan from Indusind Bank Rs. 525.48 lacs as at June 2016 has been takeover by Kotak Mahindra from 25 July' 2016 thus bifurcation of Current Maturity of Long Term loan has been done as per the Repayment Schedule of Kotak Mahindra Bank.

### 31 Transactions in Foreign Currency

#### i) Expenditure in Foreign Currency

(Amount in Rs.)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Traveling and Lodging & Boarding Reimbursement	1,818,511	1,532,949
Imports of Air Freight Services	7,073,833	11,953,636
<b>Total</b>	<b>8,892,344</b>	<b>13,486,585</b>

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

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Export of Air Freight Services	4,600,301	10,115,787
<b>Total</b>	<b>4,600,301</b>	<b>10,115,787</b>

### 32 Disclosure on Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows :

Particulars	SBNs	Other Denomination Notes	Total
<b>Closing Cash in Hand as on 8 Nov 2016</b>	24,887,000	518,514	25,405,514
(+) Permitted Receipt	-	2,097,681	2,097,681
(-) Permitted Payment	-	(2,275,422)	(2,275,422)
(-) Amount deposited in Bank	(24,887,000)	(100,000)	(24,987,000)
<b>Closing Cash in Hand as on 30 Dec 2016</b>	-	<b>240,773</b>	<b>240,773</b>

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

### 33 Earnings Per Share:

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

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016 (Reinstated)	As at March 31, 2016
(a) Net Profit after tax available for Equity shareholders.	38,883,988	9,553,573	9,553,573
(b) Weighted average number of Equity Shares for Basic EPS	4,475,843	3,998,473	39,984,729
(c) Weighted average number of Equity Shares for Diluted EPS	4,475,843	3,998,473	39,984,729
(d) Nominal Value of Equity Shares (in Rs.)	10	10	1
(e) Basic Earnings per Equity Share (in Rs.)	8.69	2.39	0.24
(f) Diluted Earnings per Equity Share (in Rs.)	8.69	2.39	0.24

**34** These financial statements have been prepared in the format prescribed by the Revised Schedule III to the Companies Act, 2013. Previous year figures have been recast/ restated where necessary to conform to current's year classification.

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**For S C Mehra & Associates**

Chartered Accountants  
Firm No. 106156W

CA S C Mehra  
Partner  
Membership No. 039730

Place : Mumbai  
Date: May 29, 2017

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

Richard Theknath  
Director  
DIN No.- 01337478

Dax Theknath  
Director  
DIN No. - 01338030

Shraddha Mehta  
Company Secretary  
M No.: 44186

Jabir Contractor  
Chief Financial Officer

Place : Mumbai  
Date: May 29, 2017

### **E-Communication Registration Form**

To,  
 Bigshare Services Private Limited  
 Unit: Jet Freight Logistics Limited  
 B/5, 2<sup>nd</sup> Floor, Roy Apartment,  
 Near Sahar Cargo Complex,  
 Sahar Road, Andheri East,  
 Mumbai-400099.

Date:

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

I, ..... (name of first/individual shareholder) holding .....  
 (no. of 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 \_\_\_\_\_

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

[illegible]





## JET FREIGHT LOGISTICS LIMITED

CIN: U63090MH2006PLC161114

**Regd. Office:** B/5, 2<sup>nd</sup> Floor, Roy Apartment, Near Sahar Cargo Complex, Sahar Road, Andheri East, Mumbai-400099.

**Corporate Office:** C/706, Pramukh Plaza, Opp. Holy Family Church, Chakala, Near WEH Metro Station, Andheri East, Mumbai-400099.

Ph: +91-22-61043700 Email: [info@jetfreight.in](mailto:info@jetfreight.in)

Website: [www.jetfreight.in](http://www.jetfreight.in)

### 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]

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 (on a poll) for me/us and on my/our behalf at the 11<sup>th</sup> Annual general meeting/ of the company, to be held on Saturday August 12, 2017 at 2.30 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, 2017 including audited Balance Sheet as at 31 <sup>st</sup> March, 2017 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. Richard F Theknath (DIN: 01337478), who retires by rotation and being eligible, offers himself for re-appointment.
3	To ratify the appointment of Statutory Auditors and fix their remuneration.
4	To appoint Mr. Cypriano Savio Fernandes, (DIN: 07806950) as an Independent Director.
5	To revise the Remuneration to be paid to Mr. Richard F Theknath, Managing Director w.e.f. April 01, 2017 for the remaining period of his tenure.
6	To revise the Remuneration to be paid to Mr. Dax F Theknath, Whole-Time Director w.e.f. April 01, 2017 for the remaining period of his tenure.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of the shareholder

Signature of the Proxy Holder(s)

Signature across Revenue Stamp

Affix  
One  
Rupee  
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 Corporate 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: U63090MH2006PLC161114

**Regd. Office:** B/5, 2<sup>nd</sup> Floor, Roy Apartment, Near Sahar Cargo Complex, Sahar Road, Andheri East, Mumbai-400099.

**Corporate Office:** C/706, Pramukh Plaza, Opp. Holy Family Church, Chakala, Near WEH Metro Station, Andheri East, Mumbai-400099.

Ph: +91-22-61043700 Email: [info@jetfreight.in](mailto:info@jetfreight.in)

Website: [www.jetfreight.in](http://www.jetfreight.in)

### 11<sup>th</sup> Annual General Meeting

#### ATTENDANCE SLIP

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

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

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

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

\_\_\_\_\_

I hereby record my presence at the 11<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 2.30 p.m. on Saturday August 12, 2017.

(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.





EMIRATES SKYCARGO TOP AGENT FY 2016-17



AIR-INDIA 1ST RANK- INTERNATIONAL PERISHABLE CARGO AGENT

*If undelivered, please return to:*

**Corporate Office**

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

Phone: +91-22-61043700

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