

TWENTY FIFTH ANNUAL REPORT 2017-2018

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FOR JAGSON AIRLINES LTD;
Company Secretary.

JAGSON AIRLINES LIMITED

JAGSON AIRLINES LIMITED
Annual General Meeting, 2018

BOARD OF DIRECTORS	MR.JAGDISH PERSHAD GUPTA MS.RAVINDER KAUR HORA MR.BHUVI KANT MR.SARDAR SINGH MUDGAL
COMPANY SECRETARY & COMPLIANCE OFFICER	MR.GOPINATH KHATUA
AUDITORS	M/S MADAN JHA & ASSOCIATES CHARTERED ACCOUNTANTS 318, POCKET D, MAYUR VIHAR , PHASE II,NEW DELHI-110091.
BANKERS	STATE BANK OF INDIA STATE BANK OF HYDERABAD(Merged with SBI)
CORPORATE OFFICE	3rd FLOOR , VANDANA BUILDING, 11 TOLSTOY MARG,NEW DELHI-110001
REGISTERED OFFICE	18B, S.D.A. COMPLEX, KASUMPTI, SHIMLA, HIMACHAL PRADESH-171009
STOCK EXCHANGE	BSE Ltd.
REGISTRAR AND SHARE TRANSFER AGENTS	RCMC SHARE REGISTRY (P.) LIMITED B-25/1,Okhla Industrial Area, PH-II, New Delhi-110020, Website: http://www.rcmcdelhi.com
Website	http://jagson-id.wix.com/jagsonairlinesltd
Email:	jagson-id@jagson.com gcorr@rcmcdelhi.com

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JAGSON AIRLINES LTD.
Company Secretary

NOTICE

Notice is hereby given that the Twenty-Fifth Annual General Meeting of M/s Jagson Airlines Limited will be held at The Golf Glade, Naldhera, P.O. – Durgapur, Distt.-Shimla - 171009, Himachal Pradesh on Wednesday, the 19th September, 2018 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of Account for the period ended on 31st March, 2018 together with the Directors' Report and the Auditors Report thereon.
2. To rectify the appointment of M/s Madan Jha & Associates, Chartered Accountants, as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the remaining tenure of the current terms , in pursuant to Section 139, 141 of the Companies Act, 2013 (read with the Companies Amendment Act, 2017);
3. To appoint a Director in place of Mr. Sardar Singh Mudgal who retires by rotation and being eligible offers himself for re-appointment.

For and on behalf of the Board of Directors
of Jagson Airlines Limited

-Sd

Jagdish Pershad Gupta
Chairman cum Managing Director

Place: New Delhi
Date: 20th August, 2018

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote instead of himself/herself. Proxy need not be a member of the Company. The form of proxy must reach to the registered office of the Company at least 48 hours before time fixed for the commencement of the meeting.
2. The notice convening the Annual General Meeting is to be sent to every member. No extra shall be available at the meeting. The members are requested to bring their copy in the meeting.
3. Members attending the meeting are requested to complete the enclosed attendance slip & deliver the same at the entrance of the meeting hall.
4. Members are requested to inform their change of address so that they can receive their correspondence in time.
5. The register of members and share transfer registers of the company shall remain closed from 16th September, 2018 to 18th September, 2018 (both days inclusive).
6. Board of Directors in its meeting dated 20th August 2018 has appointed CS Bhibhabasu Chakraborty, Practising Company Secretaries having membership no.8412, CP No 9519 as scrutinizer pursuant to section 108 & Section 109 of the Companies Act, 2013.
7. E voting will remain open from 9.00 am dated on 15/09/2018. To 5 pm dated on 18/09/2018;
8. E-Voting instruction sheet is attached with this notice;
9. **Book Closure** 16th September, 2018 to 18th September, 2018 (both days inclusive).
10. Distribution of gifts is not allowed in the meeting.

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JAGSON AIRLINES LTD.
Company Secretary

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting Twenty-fifth Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2018.

(All Amount is in Indian Rupees)

FINANCIAL RESULTS

Particulars	Year ended March, 2018	Year ended March, 2017
Total Income	21,935	16,798
Gross Profit/Loss before Dep. & Tax	-	-
Provision for Depreciation	1,63,406	1,63,406
Tax provision	Nil	Nil
Provision for deferred tax	-	-
Net profit/(Loss)	(73,75,860)	(5,315,332)
General reserve (Surplus profit & Loss A/c)	Nil	Nil

INDIAN ACCOUNTING STANDARDS

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), your company is following the practice of required accounting standards.

RESERVES

The Company has not transferred any amount to reserve.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company.

RESULTS OF OPERATIONS

Due to weak financial position of the company, the planes have been grounded. The Company had closed its books for the year 2017-2018 with a loss of Rs. (737.58) Lac as against previous year loss of Rs. (73.76) Lac.

DIVIDEND

The Board of Directors has not recommended any dividend for this year due to its financial situation.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public under sections 73, 74, and 76 of the Companies Act, 2013 during the year.

AUDITORS

M/s Madan Jha & Associates, Chartered Accountants, FRN 016288N Auditors of the Company retire at the conclusion of the Annual General Meeting and as they have completed their tenure as per Section 139 of the Companies Act, 2013 and they have submitted their resignation.

M/s Madan Jha & Associates, Chartered Accountants, FRN No. FRN 016288N have informed the Board of their eligibility to be an Auditor of Jagson Airlines Limited, a Listed Company and have offered their services for the same. Your Board of Directors recommends their appointment for your approval.

AUDIT COMMITTEE

The Audit Committee consists of Mr. Bhuvikant, Ms. Ravinder Kaur Hora and Mr. Sardar Singh Mudgal. Two third of the members are independent. Mr. Bhuvikant, being a Chartered Accountant, is nominated as Chairman of the Audit Committee. The terms of reference specified by the Board to the Audit Committee are as contained under of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Company Secretary of the Company is the Secretary of the Committee

VIGILANCE COMMITTEE

As per the provisions of section 177 of Companies Act, 2013 and as per regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has started working on formulation of Vigil Mechanism /Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The Audit Committee of the Company also acts as the Vigilance Committee of the Company. Mr. Bhuvikant is the Chairman of the Vigilance Committee of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship committee controls the physical & demats shares and meets regularly. This committee consists of Ms. Ravinder Kaur Hora, Mr. Bhuvikant and Mr. Sardar Singh Mudgal. Company Secretary of the Company act as the Secretary of the Committee. As per regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all the grievances of the shareholders are redressed on priority basis when the complaints / grievances are received by the Company.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of Mr. Jagdish Pershad gupta and Mr. Bhuvikant, Ms. Ravinder Kaur Hora. Mr. Jagdish Pershad Gupta is the Chairman of the Risk Management Committee. The terms of reference specified by the Board to the Risk Management Committee are as contained under of regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to section 108 of the Companies Act, 2013 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has been taking necessary steps to make available the facility to its members to exercise their right to vote by Electronic means for the transactions which require approval through Postal Ballot. This facility has been made available to all the members from financial year 2014-15.

COMMITTEE OF SEXUAL HARASMENT OF WOMEN (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Committee OF Sexual Harassment consists of Ms. Ravinder Kaur Hora, Mr. Jagdish Pershad gupta and Mr. Sardar Singh Mudgal,. Ms. Ravinder Kaur Hora is the Chairman of the Committee.

INTERNAL FINANCIAL CONTROLS

As per Section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. Company has set up adequate system of Internal Control of to ensure safety of its property assets, and protection against unauthorized use and loss from pilferation of stores and spares which is the backbone of our airlines operations.

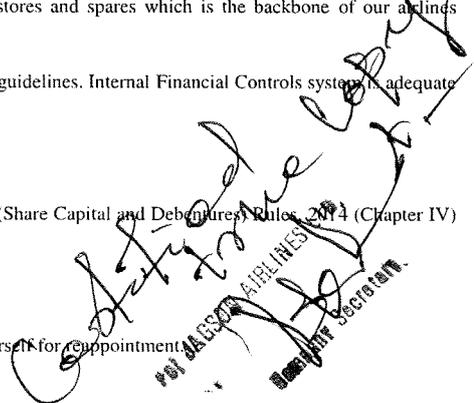
Internal control system is followed by extensive internal audits, policies, procedures and guidelines. Internal Financial Controls system is adequate keeping in view size and operation of the company.

ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

The Company under the provisions of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 (Chapter IV) has not issued any shares with differential rights.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Ms. Ravinder Kaur Hora retiring by rotation, and being eligible for appointment offers herself for reappointment



LISTING REQUIREMENT

As required by regulation 33 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Cash Flow Statement is appended with Annual Accounts of the Company.

LISTING OF SHARES

Shares of your Company at present are listed with Bombay Stock Exchange Limited.

MEETINGS

During the year the company conducted one Annual General Meeting, eleven Board Meetings and six Audit Committee Meetings. No Extra-Ordinary General Meeting was held during the year. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DETAILS OF SUBSIDIARY/JONT VENTURES/ASSOCIATE COMPANIES

The given Company has no subsidiary/joint ventures/associate companies as on date.

AUDITOR'S REPORT

The Auditor's Report does not contain any qualification, Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

DISCLOSURE ABOUT COST AUDIT

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

EXTARCT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT

No material changes have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates.

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

No significant and material orders have been passed by the regulators or courts or tribunals that could impact the Company's present or future operations.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has neither provided nor accepted any loans or investments in the concerned financial year.

Details of guarantee/security provided:

Sr. no.	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
-	Nil	Nil	0.00	Nil	-	-	0.00

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 JAGSON AIRLINES LTD.
 Managing Secretary

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As per sub-section (1) of Section 188 of the Companies Act, 2013 and regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has not entered in contracts or arrangements with related parties.

STATUTORY DISCLOSURES

In terms of the provisions of Section 134 of the Companies Act, 2013, regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014, including amendment thereof, the names and other particulars of the employees are set out in the annexure to the Director's Report. However, as per the provisions of Section 134 of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints pertaining to the sexual harassment were received during the FY 2016-17.

Company has adopted a policy for prevention of Sexual Harassment of Women at Workplace and has set up committee, under the Chairmanship of Ms. Ravinder Kaur Hora, for implementation of said policy. During the year Company has not received any complaint of harassment.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135, Schedule VII of the Companies Act, 2013 and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014; the Company has not invested in any CSR activities due to its weak financial condition.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which are required to be transferred to Investor Education and Protection Fund (IEPF).

CORPORATE GOVERNANCE

Pursuant to regulation 27, 34 and schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, a management discussion and Analysis Report, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

CONSERVATION OF ENERGY

The Company is maintaining its aircrafts as per the standards laid down by Director General of Civil Aviation (DGCA). This keeps the fuel consumption at the optimum level. Hence disclosure of particulars with respect to conservation of energy in Form-A pursuant to Companies (Disclosure of Particulars in the report of Directors) Rules, 1988 is not applicable.

TECHNOLOGY ABSORPTION

The operation of the company does not involve any technology absorption. Hence disclosure of particulars with respect to technology absorption in Form-B pursuant to Companies (Disclosure of Particulars in the report of Directors) Rules, 1988 is not applicable.

EMPLOYEES

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including modifications thereof, statement of particulars of employees is annexed as **Annexure IV**. During the year under review none of the employees are in receipt of remuneration exceeding the limits as prescribed under The Companies (Appointment and Remuneration) Rules, 2014.

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JAGSON AIRLINES LTD.
Company Secretary

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange earned and used during the year is as under:

Particulars	(In Lacs)	
	31.03.2018	31.03.2017
Foreign Exchange earned	0	0
Foreign Exchange used	0	0

DIRETORS RESPONSIBILITY STATEMENT

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

- i. That in the preparation of the Annual Accounts for the year ended 31.03.2018, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the states of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review.
- iii. That the Directors had 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. That the Directors had prepared the accounts for the year ended 31.03.2018 on a going concern basis.
- v. That the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the continued support received from DGCA, Airport Authority, Other Govt. Departments, Bankers and Agents and Customers. Your Directors also like to express their appreciation for the contribution made by the employees during the year.

Place: New Delhi
Date: 20th August, 2018

For & on behalf of the Board of Directors
Of Jagson Airlines Limited

Jagdish Bershad Gupta
Chairman

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JAGSON AIRLINES LTD,
Company Secretary.

CORPORATE GOVERNANCE DISCLOSURE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with Laws and Regulations leading to effective control and management of the Organization. Good Corporate Governance leads to long-term shareholders value and enhance interest of the stakeholders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the Organization towards creating wealth and shareholders' value. At Jagson Airlines Limited, our pursuit towards achieving good governance is an ongoing process, as a conscious and conscientious effort thereby ensuring truth, transparency, accountability and responsibility in all our dealings with our Employees, Stakeholders, Consumers and Community at large. It is an ongoing measure of superior delivery objective of the Company in view to translate opportunities into reality.

The Board of Directors of Jagson Airlines Limited is committed to business integrity, high ethical values and professionalism across all its activities. As an essential part of this commitment the Board supports the highest standards of Corporate Governance as it must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and sense of justice and this balance depends on accountability and transparency which builds stake holder's confidence.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of one executive Chairman-cum-Managing Director, one executive Promoter Director and two non-executive Directors, who are independent Director.

During the year 2017-18 the Board met fourteen times on the following dates, namely:

24/04/2017, 29/05/2017, 11/07/2017, 12/08/2017, 24/08/2017, 26/08/2017, 23/09/2017, 27/09/2017, 13/11/2017, 9/01/2018, 13/02/2018, 17/02/2018, 14/03/2018, 31/03/2018.

Composition of Board of Directors as on 31st March 2018 is as follows:

Name	Category	Attendance		Number of other directorships		
		Particulars		Other Directorships	Committee Membership	Committee Chairmanships
		Board Meeting	Last AGM			
Mr. Jagdish Pershad Gupta	CMD	11	Present	1	1	1
Ms. Ravinder Hora	DIR	11	Present	3	5	2
Mr. Bhuvi Kant	DIR	11	Present	1	4	2
Mr. Sardar Singh Mudgal	DIR	11	Present	3	3	-

CMD: Chairman - cum - Managing Director, **DIR-** Directors retiring by rotation and who are not whole - Time Directors of the Company.

None of the Directors is a member of more than ten Committees and acts as a Chairman in more than Five Committees across all Companies in which he/she is a Director.

Ms. Ravinder Kaur Hora, Directors are retiring by rotation and being eligible offers herself for reappointment.

The brief profile of the Directors to be re-appointed is as under:

S. No.	Name	Date of Birth	Nationality	Qualification & Experience
1	MR. Sardar Singh Mudgal	07.05.1953	Indian	Mr. Mudgal has more than 33 years of experience in Oil and Exploration Sector, Business of Petroleum Products, Liasoning etc.

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 Secretary

2.1 Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors were set out in the appointment letter issued to the Director at the time of his/her appointment/re-appointment as Independent Non-Executive Director of the Company.

2.2 Meetings of Independent Directors

The Independent Directors of the Company meet as and when required before the Board Meeting without the presence of Executive Directors or Management personnel. These meetings are conducted in an informal and flexible manner to enable the independent Directors to discuss matters more effectively.

2.3 Familiarization Program for Independent Directors

The Directors were given presentations on the company's environment, performance and developments on quarterly basis.

3. AUDIT COMMITTEE

The Company continued to derive immense benefit from the deliberations of the Audit Committee comprising Independent non-Executive Directors namely Mr. Bhuvi Kant and Mr. Sardar Singh Mudgal, Ms. Ravinder Hora (Executive and Promoter Director). The constitution of Audit Committee also meets with the requirements of Section 177 of the Companies Act; 2013. Mr. Mr. Bhuvi Kant is the Chairman of the Committee.

Audit Committee had met five times during the year 2017-18, namely:

29/05/2017, 12/08/2017, 27/09/2017, 13/11/2017, 13/02/2018;

The terms of reference specified by the Board to the Audit committee as contained under Clause - 49 of the Listing Agreement and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:-

- a. Oversight of the company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on :
 - (ii) Any changes in accounting policies and practices;
 - (iii) Major accounting entries based on exercise of judgment by management;
 - (iv) Qualifications in draft audit report;
 - (v) Significant adjustments arising out of Audit;
 - (vi) The going concern assumption;
 - (vii) Compliance with accounting standards;
 - (viii) Compliance with stock exchange and legal requirements concerning financial statements and
 - (ix) Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.
- d. Reviewing with the management, external and internal auditors, and the adequacy of Internal Control Systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up thereon.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with External Auditors before the Audit commences the nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's various financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the depositors and shareholders (in case of non-payment of declared dividends) and creditors.

4. NOMINATION AND REMUNERATION COMMITTEE

As per regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Remuneration Committee consists of Mr. Sardar Singh Mudgal, Mr. Bhuvi Kant and Sardar Singh Mudgal, Directors of the company. Mr. Bhuvi Kant is the Chairman of the remuneration committee.

As per terms of appointment no remuneration is payable to Shri Jagdish Pershad Gupta, Chairman cum Managing Director and other Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board thereof.

The company pays sitting fees to all Directors including Chairman cum Managing Director.

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For JAGSON AIRLINES LTD.
Company Secretary