

ANNUAL REPORT 2019-20

CELEBRATING

10

Years of

2010

2020

Excellence in Logistics

AVG Logistics Ltd

a leading logistics company



AVG LOGISTICS®
A STEP AHEAD

OUR NETWORK



■ Zonal Offices

■ Other Branches

■ International Network

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Dear Shareholders,

I present you the 11th Annual Report of your company, and I am pleased to present yet another year of growth and success of AVG LOGISTICS. We continued to demonstrate our proficiency and determination in achieving operational excellence and financial soundness inspite of entering the unprecedented pandemic scenario caused due to COVID-19 by the end of March 2020. To remain robust and resilient in an ever-changing business environment, we stayed focused on carrying forward our legacy of contributing to the growth of the country by delivering value to our shareholders.

Across the entire world, COVID-19 has impacted the lives of everyone. My sympathies are with everyone who is directly or indirectly affected by the virus and wish for the good health and safety of all. Apart from health crises, the pandemic badly affected the business fraternity due to complete lock down in almost every corner of the globe and presented us with an economic crisis.

In the current scenario, the logistics industry can emerge as the backbone of the economy and can play a crucial role in terms of support to the national economy. The government policies also witnessed the growth of logistics, warehousing and transportation sector by developing logistics infrastructure, such as dedicated freight corridors, logistics parks, trade warehousing zones, port modernization, rationalization of taxes and focus on creating a skilled workforce for logistics and supply chain. Besides, the reduction in corporate taxes will also support the businesses during the overall economic slowdown.

Further, I wish to inform you that inspite of the prevailing COVID-19 scenario, your Directors are confident to achieve the milestone with the dedicated and committed efforts of the team AVG by providing time bound and committed services to its stakeholders/clients. Despite challenges, we are constantly strengthening our capabilities and relationships with customers and wider stakeholder fraternity with a focus on long term value creation. Our large customers/clients comprising of both corporate and SMEs, belonging to different industries provide us a discernible competitive advantage and accelerated growth opportunities. Our operations continue to expand and cover the length and breadth of the country as well as overseas.

The path forward is marked by many challenges but we are optimistic about driving the company to newer heights. I would like to take this opportunity to pay my respect and appreciation to all the shareholders for their continued trust and belief in our decisions. Further since we could demonstrate our success with the continuous support of our lending institutions, thus, I have no hesitation to place on record our thanks to bankers/lending institutions for their everlasting support. I would also like to appreciate all the employees and stakeholders for their continuous efforts and commitment towards the growth of the company and the Directors for their continuous support and guidance. We look forward to many more successful years ahead.

SANJAY GUPTA
CHAIRMAN



Transportation Services

- ▶ FTL/LTL in Both Primary and Secondary Transportation
- ▶ Cold Chain/Refrigerated Transportation
- ▶ Dedicated/Secondary Solution
- ▶ Express Delivery
- ▶ Rail Service
- ▶ Air Service
- ▶ Freight Forwarding
- ▶ Export to Nepal, Bangladesh, and Bhutan
- ▶ Concor Container Services
- ▶ Parcel Van Train Service
- ▶ Packers & Movers

Warehousing Services

- ▶ Storage Space
- ▶ Manpower Handling
- ▶ Packaging
- ▶ Multiuser Warehouse Facility
- ▶ Bonded Warehouse

Value Added Services

- ▶ E2E Solutions
- ▶ Multimodal Transportation
- ▶ Reverse Logistics
- ▶ Parcel/Door to Door
- ▶ Custom Clearance & Port Logistics
- ▶ Container/Forklifts/Cranes on Rent
- ▶ E-commerce

BOARD OF DIRECTORS

CHAIRMAN

Mr. Pawan Kant

MANAGING DIRECTOR

Mr. Sanjay Gupta

WHOLE-TIME DIRECTOR

Mrs. Asha Gupta

INDEPENDENT DIRECTORS

Mr. Pawan Kant
Mr. Susheel Kumar Tyagi

NON-EXECUTIVE DIRECTOR

Mr. Shyam Sunder Soni

KEY MANAGERIAL PERSONNEL

CHIEF FINANCIAL OFFICER

Mr. Gurpreet Singh

COMPLIANCE OFFICER & COMPANY SECRETARY

Ms. Laveena Jain

AUDITORS

SECRETARIAL AUDITOR

Sunni Gupta & Associates
Company Secretaries

STATUTORY AUDITORS

MSKA & Associates
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

LINKINTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400083, Maharashtra.
Tel: +91 22 4918 6200;
Fax: +91 22 4918 6195
Email: avglogistics.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan

REGISTERED OFFICE

OFFICE NO. 25, D.D.A MARKET, SAVITA VIHAR
DELHI DL 110092
Mail: praveen@avglogistics.com
Website: www.avglogistics.com
Telephone: +91 11 4567 4071

CORPORATE OFFICE:

102, 1st floor, Above state bank of India,
Jhilmil Metro station Complex, Delhi-110095, India
PH. NO. 011-22124356

Board Of Directors



**MR. SANJAY GUPTA
MANAGING DIRECTOR**



**MRS. ASHA GUPTA
WHOLE TIME DIRECTOR**



**MR. PAWAN KANT
INDEPENDENT DIRECTOR**



**MR. SUSHEEL KUMAR TYAGI
INDEPENDENT DIRECTOR**



**MR. SHYAM SUNDERSONI
DIRECTOR**

Key Managerial Person

**MR. GURPREET SINGH
CHIEF FINANCIAL OFFICER**



**MS. LAVEENA JAIN
COMPANY SECRETARY**





COMMITTEES

<p>AUDIT COMMITTEE COMMITTEE</p> <p>Chairman</p> <p>Mr. Pawan Kant</p> <p>Members</p> <p>Mr. Sanjay Gupta</p> <p>Mr. Susheel Kumar Tyagi</p> <p>Members</p>	<p>SHAREHOLDER'S RELATIONSHIP COMMITTEE</p> <p>Chairman</p> <p>Mr. Pawan Kant</p> <p>Members</p> <p>Mr. Sanjay Gupta</p> <p>Mr. Susheel Kumar Tyagi</p>	<p>NOMINATION AND REMUNERATION COMMITTEE</p> <p>Chairman</p> <p>Mr. Pawan Kant</p> <p>Members</p> <p>Mr. Shyam Sunder Soni</p> <p>Mr. Susheel Kumar Tyagi</p>
<p>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</p> <p>Chairman</p> <p>Mr. Pawan Kant</p> <p>Members</p> <p>Mr. Sanjay Gupta</p> <p>Mrs. Asha Gupta</p>	<p>Operational Committee</p> <p>Chairman</p> <p>Mr. Sanjay Gupta</p> <p>Members</p> <p>2. Mrs. Asha Gupta</p> <p>Mr. Susheel Kumar Tyagi;</p>	

BEHIND OUR SUCCESS



SANJAY GUPTA
Management Director



VINAYAK GUPTA
VICE PRESIDENT



GURPREET SINGH
CHIEF FINANCIAL OFFICER



S.G MATHUR
ADMINISTRATIVE OFFICER



SAURABH GREWAL
HEAD, FLEET MANAGEMENT



AJAY KUMAR
HEAD OF OPERATIONS



G. V. RAO
COUNTRY HEAD-MARKETING



PRAVEEN MAHLA
DGM FINANCE & ACCOUNTS



ASHOK KUMAR SHARMA
HEAD RAIL OPERATIONS



NIRAJ KUMAR
GM MARKETING & BD

DIRECTORS REPORT

To,
The Members
AVG Logistics Limited

Dear Members,

The Directors of your Company are pleased to present the 11th Annual Report on the business and operations of the Company together with the audited statement of accounts for the financial Year ended March 31st, 2020.

1. FINANCIAL SUMMARY & HIGHLIGHTS

Particulars	Standalone		Consolidated	
	31 st 2020	March 2019	31 st March 2020	31 st March 2019
Income				
Revenue from operations	32,228.24	31349.21	32,238.5	31349.21
Other Income	146.02	221.02	146.02	221.02
	32,374.26	31570.23	32,374.26	31570.23
Expenses				
Operating Expenses (Including the amount of Consumptions)	26,444.33	25403.08	26,444.33	25403.08
Employee Benefit Expense	1408.93	1232.01	1408.93	1232.01
Finance Costs	968.09	837.41	968.09	837.41
Depreciation and Amortization Expense	930.72	755.77	930.72	755.77
Other Expenses	1963.10	1920.72	1963.10	1920.72
	31,715.17	30148.99	31,715.17	30148.99
Profit before exceptional and extraordinary items and tax	659.09	1421.24	659.09	1421.24
Prior period expense	23.12	81.10	23.12	81.10
Profit before tax	635.97	1340.14	635.97	1340.14
Tax expense:				
(1) Current tax	289.83	463.39	289.83	463.39
(2) Adjustment for earlier years	8.44	(8.76)	8.44	(8.76)
(3) Deferred Tax	(110.27)	(126.16)	(110.27)	(126.16)
Profit for the year	447.97	1011.67	447.97	1011.67
Share of profit/ (loss) from associate			70.97	(62.96)
Share of profit from enterprise			(0.40)	0.39
	447.97	1011.67	518.54	949.1
Earning per equity share (nominal value of Share Rs. 10 (P.Y. Rs 10)				
(1) Basic	4.35	9.97	5.04	9.36
(2) Diluted	4.35	9.97	5.04	9.36

OPERATIONAL AND FINANCIAL PERFORMANCE REVIEW

Your Directors are pleased to inform you that your Company has been successfully sailing towards its target to become pioneer in the transportation and logistics segment. Moreover, with the overwhelming support and contribution of Directors, employees as well lending institutions, there is considerable growth in the Company, by virtue of which it could successfully establish its own brand and identity in the transportation & logistics business. Your Company always believes and focus to provide timely and satisfactory service to its clients and stakeholders, resulting thereby expanding successfully its business across the geographies by adding new blue chip and MNC Clients. Few of the new customers added in this financial year are Veeba Food Services Pvt Ltd, , India Mart Intermesh Ltd, Field Fresh Foods Pvt Ltd.(DelMonte India), Raymond Apparel Ltd, Shahi Expots Pvt Ltd, Tamil Nadu Newsprint and Papers Limited.

Your Board of Directors are also delighted to inform you that with a view to give meaning to its expansion plan, the company has been making constant efforts for developing requisite infrastructure as well as utilizing advance means of technology for exercising better and effective control on its operation as well as movements of its fleet. Your Company's Logistics revenue has increased to Rs.28,893.73 lakhs in 2019-20 from Rs.27,779.87 Lakhs in 2018-19. However there is reduction in profits as compare to last year due to increased provision for doubtful debts and advances of Rs.617.18 Lakhs made during the year out of abundant caution in these turbulent time. But your directors are confident that the overall as well as the percentage of profits would be increased in the years to come.

In Continuation, Your Directors wish to inform that your Company will come out of the Pandemic Scenario of COVID-19, with its Operational Strategy and will certainly explore more business avenues/opportunities, being constantly making efforts to develop its Infrastructure including Warehouses Space as well as increasing its own fleets to cater the needs of its Clients. Although every Business has been badly affected because of the COVID-19, Your Directors are confident and, expecting considerable growth in revenue as well as profitability by the end of March 2021.

1. COVID-19

The COVID-19 pandemic developed rapidly in the month March of FY 2019-20 into a global crisis, forcing the governments to enforce lock-downs of all economic activity. Further The Company ensures the health and well-being of all its employees and also focused on minimizing the disruption of its Business Activities and allowed work from home to certain employees/staff to ensure their Safety .

During the gradual lockdown period we followed all the guidelines Issued in this regard by the respective States and the Central Government with regard to the operations and safety of people. We are happy to inform that there were very minimal Incidents of any employee/ staff suffering from infection in any of our offices/ branches. The strict standard of physical distancing and hygiene were enforced. We affirm our commitment to continue our participation and contribution in the need of hour.

During this period of economic and financial uncertainties, we appreciate the continued support and faith reposed in us by the banks and financial Institutions. We commit ourselves to reciprocate their support and faith by discharging our obligations towards them in a timely manner.

2. TRANSFER TO RESERVES

The Board of your Company has decided not to transfer any amount to the General Reserves for the financial year 2019-20.

As per Standalone financials, the net movement in the reserves of the Company as at 31 March 2020 (FY 2019-2020) [Previous Year ended 31 March 2019 (FY 2018-2019)] is as follows:

Amount in INR Lakhs

Particulars	Financial Year 2019-20	Financial Year 2018-19
Securities Premium	2,659.52	2,659.52
Surplus in Statement of Profit and Loss	3684.76	3,236.79
Total Reserves & Surplus	6344.28	5,896.31

The Members are advised to refer the Note No. 03 as given in the financial statements which forms the part of the Annual Report for detailed information.

4. DIVIDEND

The Board of Directors of your company, after considering **the cash requirement** for business growth and debt servicing, has decided that it would be prudent, not to recommend any Dividend for the year under review.

5. STATE OF THE COMPANY S AFFAIRS

a. Segment-wise position of business and its operations

The Company operates mainly in Transportation, Warehousing and Trading of goods. It has major reportable segment as Logistics and other segment is of Trading goods..

b. Change in status of the company

During the year under Review there was no Change in the Status of the Company.

c. Change in the financial year

During the financial year 2019-2020 under review, the company has followed uniform financial year from 1st April of every year to 31st March.

d. Capital expenditure

During the year under review, your Company entailed a capital expenditure of INR 1720 .45 Lakhs in Tangible assets,

e. Details and status of acquisition, merger, expansion, modernization and diversification

During the year under review no such transaction occurred.

6. CHANGE IN THE NATURE OF BUSINESS

The Company continued to carry Business of Transportation, Warehousing and Trading of goods and hence, there was no change in the nature of business or operations of the Company which impacted the financial position of the Company during the year under review.

7. 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 THE REPORT

There are no material changes and commitments which affect the financial position of the Company, subsequent to close of Financial Year 2019-20 till the date of this Report, However the Company vide its Board Resolution dated 16th June 2020 and through the Approval of the Members in their Extra-Ordinary General Meeting held on 15th July 2020 has approve the Issuance of 14, 77,271 Equity Shares of the Company by way of Preferential Basis to Specified Non-Promoter entities.

8. DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE BOARD S REPORT

During the financial year 2019-2020 under review, the company has not revised its financial statement or the Board s Report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of any judicial authority.

9. CAPITAL AND DEBT STRUCTURE

A. Changes in Share **Capital Structure**

During the financial year under review, there is no change in the Authorized Share Capital of the Company.

As at March 31, 2020, the Authorized Share Capital of the Company is INR 1,200.00 Lakhs divided into 120 Lakhs equity shares of INR 10 each.

Issued, Subscribed and Paid-up Share Capital of the Company is INR 1,029.80 Lakhs

The Members are advised to refer the Note No. 02 for Equity Shares and Note No. 03 for Security Premium in the financial statements which form the part of the Annual Report for detailed information.

i) Disclosure under **Section 43(a)(ii) of The Companies Act, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is included in the report.

ii) Disclosure under Section 54(1)(d) of The Companies Act, 2013:

The Company has not issued any sweat equity shares during the year under review and hence the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

iii) Disclosure under Section 62(1)(b) of The Companies Act, 2013:

The Company does not have any Employees Stock Option Scheme and hence the provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

iv) Disclosure under Section 67(13) of The Companies Act, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014

v) ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL:

Issued, Subscribed and Paid-up Share Capital of the Company is INR 1,029.80 Lakhs during the financial year under review.

The issued, subscribed and paid-up Capital of the Company stood at INR102,980,000 (Rupees Ten Crore Twenty Nine Lakhs Eighty Thousand only) divided into 10,298,000 Equity Shares of face value of Rs. 10 each as on 31st March 2020.

B. Changes in Debt Structure

Debentures/Bonds/Warrants Or Any Non-Convertible Securities

During the year under review, the Company has not issued any debentures, bonds, warrants or any non-convertible securities. As on date, the Company does not have any outstanding debentures, bonds warrants or any non-convertible securities.

10. **CREDIT RATING OF SECURITIES**

During the financial year 2019-2020 under review the Company has not taken or issued any bonds or any debt instruments and neither has obtained any credit rating for them from any credit rating agencies.

11. **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review, there was no amount liable or due to be transferred to Investor Education and Protection Fund during the financial year 2019-2020 ended 31st March 2020.

1. **MANAGEMENT**

I. Directors and Key **Managerial Personnel**

The following are the Directors and key managerial personnel:

1. Mr. Sanjay Gupta (DIN: 00527801) was appointed as Managing Director cum Chief Executive Officer (CEO) of the company at the Board Meeting held on 26.12.2017 and consent of the members has been taken at the Extraordinary Meeting held on 19.01.2018.
2. Mrs. Asha Gupta (DIN: 02864795) was appointed as Whole-Time Director of the company at the Board Meeting held on 26.12.2017 and consent of the members has been taken at the Extraordinary Meeting held on 19.01.2018.
3. Mr. Pawan Kant (DIN: 08594895) was appointed as Additional Independent Director through Resolution by Circulation under section 175 of the Companies Act 2013 on 05th November, 2019.
4. Mr. Shyam Sundar Soni was appointed as Non Executive director of the company at EGM held on 31.01.2018, who shall be liable to retire by rotation
5. Mr. Susheel Kumar Tyagi (DIN: [06906354](#)) was appointed as Additional Independent Director of the Company in the Board Meeting held on 13.11.2018 and consent of the members has been taken at the Annual General Meeting held on 28.09.2019.

6. Mr. Gurpreet Singh Luthra (Chartered Accountant) was appointed as Chief Financial Officer (CFO) at the Board Meeting held on 13.11.2019.
7. Ms Laveena Jain bearing Membership No 52094, was appointed as Company Secretary & Compliance Officer of the company at the Board meeting held on 15.02.2020 w.e.f 30th March 2020.

II. Change in Directorship

As per section 152(6)(a) Mrs. Asha Gupta, Whole Time Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

As per Section 152 and 160, Mr. Pawan Kant who was appointed as an Additional Director (Independent Category) through Resolution by Circulation under section 175 of the Companies Act 2013 on 05th November, 2019 and whose office is liable to be vacated at the ensuing AGM and on the recommendation of the nomination and remuneration committee, the Board of Directors also proposed to appoint, Mr. Pawan Kant as Director [Independent category] for period of 5 years and also received consent in lieu thereof from Mr. Pawan Kant, Apart from that Mr. Bishwanath Shukla and Mr. Suresh Kumar Jain Directors of the Company resigned from the office w.e.f 13th November 2019.

Further, Mr. Arun Kumar Goel (CFO) resigned from the office w.e.f 13th November 2019 and in Place of him Mr. Gurpreet Singh was Appointed on 13th November, 2019 as (CFO) further Ms. Parul Jain (Company Secretary and Compliance Officer) resigned on 10th December 2019 and Ms. Laveena Jain was Appointed as the Company Secretary and Compliance officer of the Company w.e.f 30th March 2020

III. Declaration by Independent Directors and statement on compliance of code of conduct

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of Independent Director as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The confirmations were placed before and noted by the Board.

IV. Board Meetings

During the financial year 2019-2020, The Board met 6 times during the financial year 2019-20 i.e., 30th April 2019, 30th May 2019, 11th June 2019 (Adjourned to 12th June 2019), 2nd September 2019, 13th November 2019 (Adjourned to 21st November 2019), and 15th February 2020.

The maximum interval between any two meetings did not exceed 120 days.

V. Committee Meetings

Audit Committee

The company constituted the Audit Committee pursuant to the provision of Section 177 of the Companies Act, 2013 at the board meeting held on 06.02.2018 and further the Committee was re-constituted on 13.11.2019

4 meetings of the audit committee have been conducted during the financial year 19-20.

The following persons are members of the Audit committee:

1. Mr. Pawan Kant (DIN: 08594895) Independent Director (Chairman of committee);
2. Mr. Susheel Kumar Tyagi; (DIN: [06906354](#)) Independent Director (Member of committee) and
3. Mr. Sanjay Gupta (DIN: 00527801) Managing Directors (Member of committee)

All the members of the Audit Company are financially literate.

Stakeholders Relationship Committee

The company constituted the Stakeholders Relationship Committee pursuant to the provision of Section 178 of the Companies Act, 2013 at the board meeting held on 06.02.2018 further the Committee was re-constituted on 13.11.2019

2 meetings of the Stakeholders Relationship Committee were conducted.

The following persons are members of the Stakeholders Relationship committee:

1. Mr. Pawan Kant(DIN: 08594895) Independent Director (Chairman of committee);
2. Mr. Susheel Kumar Tyagi; (DIN: [06906354](#)) Independent Director (Member of committee) and
3. Mr. Sanjay Gupta (DIN: 00527801) Managing Directors (Member of committee)

Nomination and Remuneration Committee

The company constituted a Nomination & Remuneration Committee pursuant to the provision of Section 178 of the Companies Act, 2013 at the board meeting held on 06.02.2018 and further the Committee was re-constituted on 13.11.2019

3 meetings of the Nomination & Remuneration Committee were conducted.

The following persons are members of the Nomination and Remuneration committee:

1. Mr. Pawan Kant(DIN: 08594895) Independent Director (Chairman of committee);
2. Mr. Susheel Kumar Tyagi; (DIN: [06906354](#)) Independent Director (Member of committee) and
3. Mr. Shyam Sunder Soni (DIN: 00396429) Non-Executive Director (Member of committee)

Corporate Social Responsibility (CSR) Committee

The Company has formed the CSR Policy and in terms of General Circular 21/2014 issued by the Ministry of Corporate Affairs, our contribution towards various activities undertaken qualifies as CSR expenditure.

The Board has duly constituted a CSR Committee and further the Committee was re-constituted on 13.11.2019 and its composition is as under-

1. Mr. Pawan Kant(DIN: 08594895) Independent Director (Chairman of committee);
2. Mrs. Asha Gupta (DIN: 02864795) Whole Time Director (Member of committee)
3. Mr. Sanjay Gupta (DIN: 00527801) Managing Director (Member of committee)

Operational Committee

The company constituted an Operational Committee pursuant to the provision of the Companies Act, 2013 at the board meeting held on 02.09.2019.

The Board has duly constituted an Operational Committee and its composition is as under-

1. Mr. Sanjay Gupta (DIN: 00527801) Managing Director (Chairman of committee);
2. Mrs. Asha Gupta (DIN: 02864795) Whole Time Director (Member of committee);
3. Mr. Susheel Kumar Tyagi; (DIN: [06906354](#)) Independent Director (Member of committee)

VI. Company's Policy on Directors' appointment and remuneration

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration as laid down in section 178 of the Companies Act, 2013.

VII. Board Evaluation

In compliance with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board carried out Annual Evaluation of its own performance, that of its Committees and individual directors. The performance of board and its committees was evaluated by the board after seeking input from all the directors on the basis of the criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation at the Board and committee meetings, governance reviews etc. Performance of individual directors was evaluated on the basis of criteria like transparency, analytical abilities, qualifications, leadership qualities, experience, participation in the long-term strategic planning and responsibilities shouldered.

VIII. Remuneration of Directors and Employees of Listed Companies

The information required pursuant to section 197 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees is given below:

A. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year			
S. No	Name	Designation	Ratio
1.	Sanjay Gupta	Managing Director	39.3:1
2.	Asha Gupta	Whole Time Director	32.74:1

B. Persons employed throughout the Financial Year ended 31 March, 2019, who were in receipt of remuneration for the year in which the aggregate was not less than Rs. 1 Crores 2 lakhs						
S. No.	Name	Designation	Remuneration (INR)	Qualification	Experience	Date of Appointment
N.A.						

C. Top Ten Employees (in terms of Remuneration): Details are attached as Annexure-I

Further, the total strength of the employees as on 31st March 2020 was 416.

IX. Directors Responsibility Statement

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) In the preparation of the Annual Financial Statements for the year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures if any;

The directors had 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, 2020 and of the Profit and Loss of the company for that period ended on that date;

(c) 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;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) 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.

X. Internal Financial Controls

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below: Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

A system of strict internal control, including suitable monitoring procedures has always believed that transparency, systems and controls are important factors in the success and growth of any organization. The Company has an adequate system of internal control supported by an extensive programme of internal control; and systems are established to ensure that financial and other records are reliable for preparing financial statements. The internal controls existing in the Company are considered to be adequate vis-a-vis the business requirements. Your Company ensures adequacy with its current size and business, to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. It is supported by the internal audit process and will be enlarged to be adequate with the growth in the business activity.

XI. Reporting of Frauds by Auditors

During the year under review, neither the Statutory nor the Secretarial Auditors has reported to the Audit Committee under Section 143 (12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

13. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Report on performance and financial position of the subsidiaries, associates and joint ventures

A Joint Venture company was incorporated in the year 2018 with the name NDRAVG Business Park Private Limited (CIN:U45309TN2018PTC125055) with the object to develop property at Sarita Vihar at New Delhi with provision for warehousing facility and allied facilities, such as cold storage and to establish warehouses, bins, godowns and cold storages and to provide facilities for storage of commodities, articles and things of all kinds and description. Our company AVG Logistics Limited is having equity stake of 35% in NDRAVG Business Park Private Limited

A report on the performance and financial position of Associate including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to Section 129 of the Companies Act, 2013 in the Form AOC-1 as an **Annexure - H**, which forms part and parcel of the Board's Report.

Companies which have become or ceased to be subsidiaries, associates and joint ventures

During the financial year 2019-2020 under review none of the Companies have become or ceased to be subsidiaries, associates and joint ventures.

14. DETAILS OF DEPOSITS

During the Financial Year 2019-2020 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies act 2013 read with Companies (Acceptance of Deposit) Rules, 2014. As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (As amended) are required to be given or provided.

15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company have duly complied with the provision of Section 186 of the Companies Act, 2013 during the year under review. The details of loans, guarantees and investments are covered in the Financial Statements.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM AOC-2:

As per the Requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.avglogistics.com at a link http://www.avglogistics.com/upload/document/document_2125338623.pdf. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement is disclosed in the financials. All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 is disclosed in Form AOC-2 in Annexure-B is annexed to this report.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details about the CSR policy is attached as **Annexure - E**

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

A. CONSERVATION OF ENERGY

- (i) The step taken or impact on conservation of energy;
The operations of the Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy.
- (ii) The step taken by the company for utilizing alternate sources of energy;
Not applicable in view of the nature of activities carried on by the Company.
- (iii) the capital investment on energy conservation equipments;
Not applicable in view of the nature of activities carried on by the Company.

B. TECHNOLOGY ABSORPTION

DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY ETC.,

- (i) The efforts made towards technology absorption;
Not applicable in view of the nature of activities carried on by the Company.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- There is no import of technologies in the last three year.
- (a) the details of technology imported; N.A.
- (b) the year of import; : N.A.
- (c) whether the technology been fully absorbed; N.A.
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
-Not applicable
- (iv) The expenditure incurred on Research and Development.- Not applicable

C. FOREIGN EXCHANGE EARNING AND OUTGO

S.NO.	PARTICULARS	AMOUNT IN INR LAKH
1.	FOREIGN EXCHANGE EARNING	NIL
2.	FOREIGN EXCHANGE OUTGO	NIL

19. RISK ASSESSMENT AND MANAGEMENT

Risk is the part of the every one's life, while running any business there are many kind of risk is involved to minimis the business risk and all the factors that will negativity effects the organization every company tries to follows a certain procedure for the forecasting of the risk and its management policy relating to this is available at a link http://www.avglogistics.com/upload/document/document_2103954823.pdf

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The company has established a Whistle Blower Policy which also incorporates a Vigil Mechanism in terms of the SEBI (LODR) Regulations, 2015 for directors and employees commensurate to the size and the business of the company to promote ethical behavior, actual or suspected fraud or violation of our code of conduct and ethics. Under the said mechanism, the employees are free to report violations of applicable laws and regulations and the code of conduct. It also provide for adequate safeguards against the victimization of persons who use such mechanism. The Whistle Blower Policy of the Company is also available on the website of the company at the link http://www.avglogistics.com/upload/document/document_1493266758.pdf During the year, no whistle blower event was reported & mechanism is functioning well. Further, no personnel have been denied access to the Audit Committee.

21. MATERIAL ORDERS OF JUDICIAL BODIES / REGULATORS

There was no such order passed by any tribunal or court or regulator which may have impact upon the going concern status and company's operations in future.

22. AUDITORS

a. **Statutory Auditor**

In accordance with **Section 139 of the Companies Act, 2013 and Rules made thereunder**, Members at the 9th Annual General meeting of the Company approved the appointment of Statutory Auditors M/s MSKA & Associates (Formerly known as M/s. MZSK & Associates), Chartered Accountants (FRN 105047W), Chartered Accountants, for a period of five (5) consecutive years starting from F.Y. 2018-19 to 2022-23.

The Statutory Auditors have not reported any frauds under Sec ?on 143(12) of the Act.

b. **Internal Auditor**

Pursuant to Section 138 of the Companies Act, 2013 & rules made thereunder, in the meeting of Board of Directors held on 12th August, 2020, M/s AASM & Co. was Re-appointed as Internal Auditors of the company for the Financial Year 2020-21.

c. **Secretarial Auditor**

Pursuant the provision of the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personal) Rules, 2014, the board appointed CS Sunni Gupta, Practicing Company Secretary, to conduct Secretarial Audit of the Company for the financial year 2019- 2020 in the board meeting held on 16 June, 2020

d. Cost Auditor

The provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditor) Rules, 2014 are not applicable for the business activities carried out by the Company.

23. SECRETARIAL AUDIT REPORT

Pursuant the provision of the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personal) Rules, 2014, the board appointed CS Sunni Gupta, Practicing Company Secretary, to conduct Secretarial Audit of the Company for the financial year 2019- 2020. The Secretarial Audit report in Form MR-3 is attached as Annexure-D and forms part of this report. The Secretarial Audit Report is self explanatory and no comments are required to be given on the same except delay in filing of financial results for the period ended on 31stMarch, 2019 by 13 days as such NSE levied a penalty of Rs. 76,700 as well as delay in filing of financial results for the half year ended on 30th September 2019 by 7days and as such NSE levied a penalty of Rs. 41300/- and compliances pertaining to payment of stamp duty as on 31st day of March, 2020 on issuance of equity shares and it was explained to the Secretarial auditor that the company has filed all the requisite documents with the revenue department for payment of stamp duty and case is pending with SDM.

24. EXPLANATIONS IN RESPONSE TO AUDITORS QUALIFICATIONS

With regard to the Statutory Audit Report for the Financial Year 2019-20, there are no qualifications, reservations or adverse remarks made by the Auditors. Pursuant to provisions of section 143 (12) of the Companies Act 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

(I) BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT:

here are no qualifications, reservations, adverse remarks or disclaimers made by M/s. Sunni Gupta & Associates, Company Secretary in Practice, in his Secretarial Audit Report except certain compliances complied with by paying additional fees or penalty and compliances pertaining to payment of stamp duty of shares so allotted on closure of IPO and it was explained to the Secretarial auditor that the company has filed all the requisite documents with the revenue department for payment of stamp duty and case is pending with SDM.

25. COMPLIANCE WITH SECRETARIAL STANDARD

During the year, your Company has duly complied with the provisions of all applicable Secretarial Standards viz. the Secretarial Standard-1 on Board Meetings (SS-1) and the Secretarial Standard-2 on General Meetings (SS-2) issued by The Institute of Company Secretaries of India and approved by the Central Government, and that such systems are adequate and operating effectively.

26. REPORTING OF ANY PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016(IBC):

During the financial year 2019-2020 under review, the Company has not passed or filed any resolution/application or by any financial or operational creditor against the Company under the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal.

27. DETAILS OF ANY FAILURE TO IMPLEMENT ANY CORPORATE ACTION:

During the financial year 2019-2020 under review, the Company has not failed to implement any corporate action within the specified time Limit as declared under Section 125 of the Companies Act 2013 and relevant rules made there under.

28. ANNUAL RETURN

Extract of Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2020 as required under Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules 2014, is annexed herewith as Annexure-A which forms part of this report.

29. OTHER DISCLOSURES

A. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs, Consolidated Financial Statements of the Company and its Associate has been prepared for the FY 2019-2020. The audited consolidated financial statements along with the auditor's report thereon forms part of this Annual Report. The consolidated financial statements, presented by the Company include the financial results of its Associate. The audited standalone financial statements of these entities have been reviewed by the Audit Committee and the Board and are available on our website http://www.avglogistics.com/upload/document/document_865376006.pdf. These documents will also be available for inspection during business hours at our registered office of the Company.

B. HUMAN RESOURCE DEVELOPMENT

Considering the huge scope of growth in organized industry, we are putting our best efforts to cater to such developments in a much more planned way when it comes to dealing with our employee base. A continuous effort is being made to make AVG a great place of work by providing a platform to employees where they feel empowered & engaged. At AVG, we always strive for continuous improvement and believe in our strong foundation which gets reflected in our values and systems.

With a view to ensure the overall growth as well as the talent of the employees, the Company arranged in-house training and development programmes from time to time for the employees working in the various departments of the Company of almost every segment. Thus, the morale of employees continued to remain high during the year, contributing positively to the progress of the Company. This is a challenge as only growth can fulfill these aspirations and in today's market scenarios one has to perform extraordinarily to achieve growth.

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year 2019-20, as stipulated under Regulation 34(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure-C forming part of this Annual Report, and gives detail of overall industry structure, developments performance and state of affairs of the Company's operations during the year.

31. CORPORATE GOVERNANCE

Since the Company Securities are listed on SME Emerge platform of NSE, by virtue of Regulation 15 of SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board Report.

However, with the increase in the competitive environment in all kind of business scenario, the concept of corporate governance becomes very popular. As such, the company always shown their interest in adopting business policies, strategies as well as laid down procedures to ensure the complete and comprehensive transparency in the operational activities of the company in almost every level of the organization and to have to the maximum possible extent the disclosure in order to introduce the philosophy of corporate governance in the organization. Besides, the company always adheres to all the applicable laws by ensuring timely compliances thereof as well as to have comprehensive disclosures by way of presenting various documentations, reports etc.

32. POLICIES ADOPTED BY THE COMPANY

Your company has adopted various policies for the smooth working of the company which are as follows:

POLICY ON ARCHIVAL OF DOCUMENTS

This policy deals with the retention and archival of the corporate record, these records are prepared by the employees of the company under this policy any material information relating to the company shall be hosted on the website of the company for the investors and public and remain there for period of five year. The policy of the company for the access is available on this link

http://www.avglogistics.com/upload/document/document_1550348007.pdf

CODE OF PRACTICE & PROCEDURE FOR FAIR DISCLOSURE

Certain code of practice is required from the senior management including the Board of Directors of the Company; they have to be abiding by the rules and laws applicable on the company for the good governance and business ethics. It describes their responsibility and accountability towards the company. Policy of the company relating to that is available on this link

http://www.avglogistics.com/upload/document/document_236424347.pdf

NOMINATION AND REMUNERATION

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, KMP and all other employees of the Company. As part of the policy, the Company strives to ensure that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b. Relationship between remuneration and performance is clear and meets appropriate performance benchmarks.
- c. Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- d. Policy relating to the nomination and remuneration of the company is available on the website of the company at the link http://www.avglogistics.com/upload/document/document_654807423.pdf

PRESERVATION OF DOCUMENTS

The Corporate records need to be kept at the places and manner defined under the Act policy relating to that for the safe keeping of the documents is available at a link

http://www.avglogistics.com/upload/document/document_2017244961.pdf

RELATED PARTY TRANSACTIONS

The Objective of the Policy is to set out:

- a. The materiality thresholds for related party transactions;
- b. The manner of dealing with the transactions between the Company and its related parties based on the Act.
- c. your company adopted this policy for dealing with parties in a transparent manner available at this link http://www.avglogistics.com/upload/document/document_2125338623.pdf

RISK ASSESSMENT AND MANAGEMENT

Risk is the part of the every one's life, while running any business there are many kind of risk is involved to minimize the business risk and all the factors that will negatively affect the organization every company tries to follow a certain procedure for the forecasting of the risk and its management policy relating to this is available at a link http://www.avglogistics.com/upload/document/document_2103954823.pdf

TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

Independent directors are the key part of the board according to the Schedule IV to the Companies Act, 2013 they are skilled, experienced and knowledgeable persons, they are required on the board to take improved and better decisions policy relating to the appointment will help full for the board policy of the company is available at a link http://www.avglogistics.com/upload/document/document_336983809.pdf

PREVENTION OF ~~SEXUAL HARASSMENT OF WOMEN AT WORKPLACE~~

Our Company is an equal opportunity provider and believes in providing opportunity and key positions to women professionals. At the same time, it has been an Endeavour of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them. As per the provisions of section 21 and 22 of the Sexual Harassment of Women at Workplace the company in any manner a code of conduct is required for them for their unbiased comments regarding the working of the company. They will follow the code while imparting in any activity of the company policy deals with the code of conduct of the Independent Directors, their duties and responsibilities towards the company, is available at a link http://www.avglogistics.com/upload/document/document_1485254330.pdf

MATERIALITY POLICY

From the point of Listed entity, investors of the entity of the also expecting more and more information for the company, so under this policy the management of the company determines the material events of the company and disclosed them for their investors. Under this policy company may decide all those events and information which are material and important that is compulsory to be disclosed for the investors about the company, policy related to this is available at a link http://www.avglogistics.com/upload/document/document_177459394.pdf

FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

Under Familiarization programme all Independent Directors (IDs) inducted into the Board are given an orientation, presentations are made by Executive Directors (EDs) and Senior Management giving an overview of our operations, to familiarize the new IDs with the Company's business operations. The new IDs are given an orientation on our products, group structure and subsidiaries, board constitution and procedures, matters reserved for the Board, and our major risks and risk management strategy. This policy includes to keep updated to the independent directors about the working of the company and projects in which company is involved various programme are conducted by the company for the IDs. The Policy on the Company's Familiarization Programme for IDs can be accessed at a link http://www.avglogistics.com/upload/document/document_923070543.pdf

POLICY FOR VERIFICATION OF FIXED ASSETS

The Company conducts the physical verification of its fixed assets with the object to identify the existence, quantity and condition of its fixed assets. Now with a view to exercise better and effective checks and control upon the fixed assets, a detailed and comprehensive policy has been developed and duly approved by the Board of directors.

The Policy for verification of fixed assets can be accessed at a link
http://www.avglogistics.com/upload/document/document_1128398398.pdf

133. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Policy for Prevention of Sexual Harassment of Women at Work place in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder. The Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of cases pending as on the beginning of the financial year	NIL
Number of complaints filed during the financial year	NIL
Number of cases pending as on the end of the financial year	NIL

1. ACKNOWLEDGEMENT

The Directors take this opportunity to express their gratitude towards the Company's customers, shareholders, investors, suppliers, bankers, financial institutions, auditors and Central & State Governments for their everlasting support to the Company. The Directors also wish to place on record their appreciation to employees and associates at all levels for their diligence, loyalty and commitment

FOR AVG LOGISTICS LIMITED
SANJAY GUPTA CHAIRMAN

04.09.2020 DIN: 00527801

ANNEXURE-A

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 2020

[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	L60200DL2010PLC198327
ii.	Registration Date	25/01/2010
iii.	Name of the Company	AVG LOGISTICS LIMITED
iv.	Category/Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	OFFICE NO 25, DDA MARKET, SAVITA VIHAR, DELHI – 110092
vi.	Whether listed company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINKINTIME INDIA PRIVATE LIMITED C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083, Maharashtra. Tel: +91 22 4918 6200; Fax: +91 22 4918 6195 Website: www.linkintime.co.in

I. 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	Transportation Services	49120, 49231, 5210	88.38
2.	Trading of Goods	46610	11.62

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name Address Company	CIN/GLN	Subsidiary /Associate	% held	le Section
1.	NDRAVG Business Park Private Limited	U45309TN2018PTC125055	Associate	35%	Section 2(6)

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

i. Category-wise Shareholding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	7208000	0	7208000	69.9942	7208000	0	7208000	69.9942	0
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Sub Total (A)(1)	7208000	0	7208000	69.9942	7208000	0	7208000	69.9942	0
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	7208000	0	7208000	69.9942	7208000	0	7208000	69.9942	0
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	1672800	0	1672800	16.2439	1803600	0	1803600	17.5141	1.2702
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	73200	0	73200	0.7108	70800	0	70800	0.6875	-0.0233
(f)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	1746000	0	1746000	16.9547	1874400	0	1874400	18.2016	1.2469
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	520760	0	520760	5.0569	469200	0	469200	4.5562	-0.5007
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	631780	0	631780	6.135	480000	0	480000	4.6611	-1.4739
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Hindu Undivided Family	55200	0	55200	0.536	87600	0	87600	0.8507	0.3147
	Non Resident Indians (Non Repat)	3600	0	3600	0.035	6000	0	6000	0.0583	0.0233
	Non Resident Indians (Repat)	14400	0	14400	0.1398	31200	0	31200	0.303	0.1632
	Clearing Member	12660	0	12660	0.1229	1200	0	1200	0.0117	-0.1112
	Bodies Corporate	105600	0	105600	1.0254	140400	0	140400	1.3634	0.338
	Sub Total (B)(3)	1344000	0	1344000	13.0511	1215600	0	1215600	11.8042	-1.2469
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	3090000	0	3090000	30.0058	3090000	0	3090000	30.0058	0
	Total (A)+(B)	10298000	0	10298000	100	10298000	0	10298000	100	0
(C)	Non Promoter - Non Public									
(C1)	Shares Underlying DRs									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	10298000	0	10298000	100	10298000	0	10298000	100	0

i.Shareholding of Promoters

Sr. No	Shareholders 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	Mrs. Asha Gupta .	5482500	53.238	0.0000	5482500	53.2385	0.0000	0.0000
2	Mr. Sanjay Gupta .	1232500	11.9683	0.0000	1232500	11.9683	0.0000	0.0000
3	Ms. Niti Gupta .	489000	4.7485	0.0000	489000	4.7485	0.0000	0.0000
4	Mr. Jagdish Chander	1000	0.0097	0.0000	1000	0.0097	0.0000	0.0000
5	Mr. Praveen Kumar .	1000	0.0097	0.0000	1000	0.0097	0.0000	0.0000
6	Mr. Vijay Kumar Garg	1000	0.0097	0.0000	1000	0.0097	0.0000	0.0000
7	Mr. Vinayak Gupta .	1000	0.0097	0.0000	1000	0.0097	0.0000	0.0000

iii.Change in Promoters Shareholding(please specify, if there is no change

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	ASHA GUPTA .	5482500	53.2385	-	-	5482500	53.2385
	AT THE END OF THE YEAR					5482500	53.2385
2	SANJAY GUPTA .	1232500	11.9683	-	-	1232500	11.9683
	AT THE END OF THE YEAR					1232500	11.9683
3	NITI GUPTA .	489000	4.7485	-	-	489000	4.7485
	AT THE END OF THE YEAR					489000	4.7485
4	VIJAY KUMAR GARG .	1000	0.0097	-	-	1000	0.0097
	AT THE END OF THE YEAR					1000	0.0097
5	VINAYAK GUPTA .	1000	0.0097	-	-	1000	0.0097
	AT THE END OF THE YEAR					1000	0.0097
6	JAGDISH CHANDER SHARMA .	1000	0.0097	-	-	1000	0.0097
	AT THE END OF THE YEAR					1000	0.0097
7	PRAVEEN KUMAR .	1000	0.0097	-	-	1000	0.0097
	AT THE END OF THE YEAR					1000	0.0097

iv. Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during		Cumulative	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SIXTH SENSE INDIA OPPORTUNITIES II	1672800	16.2439			1672800	16.2439
	Transfer			29-Jun-19	94800	1767600	17.1645
	Transfer			02-Aug-19	36000	1803600	17.5141
	AT THE END OF THE YEAR					1803600	17.5141
2	VED PARKASH .	184180	1.7885			184180	1.7885
	Transfer			05-Apr-19	620	184800	1.7945
	AT THE END OF THE YEAR					184800	1.7945
3	CHANDRIKA J. MODI	33600	0.3263			33600	0.3263
	Transfer			23-Aug-19	3600	37200	0.3612
	Transfer			01-Nov-19	1200	38400	0.3729
	Transfer			08-Nov-19	1200	39600	0.3845
	Transfer			15-Nov-19	2400	42000	0.4078
	Transfer			22-Nov-19	2400	44400	0.4312
	Transfer			29-Nov-19	12000	56400	0.5477
	Transfer			06-Dec-19	3600	60000	0.5826
	Transfer			13-Dec-19	2400	62400	0.6059
	Transfer			20-Dec-19	13200	75600	0.7341
	Transfer			27-Dec-19	6000	81600	0.7924
	Transfer			31-Dec-19	1200	82800	0.804
	Transfer			10-Jan-20	3600	86400	0.839
	Transfer			17-Jan-20	1200	87600	0.8507
	AT THE END OF THE YEAR					87600	0.8507
4	PASSAGE TO INDIA MASTER FUND LIMITED	73200	0.7108			73200	0.7108
	Transfer			19-Jul-19	-2400	70800	0.6875
	AT THE END OF THE YEAR					70800	0.6875
5	SONAL SHARE & STOCK BROKERS PVT. LTD.	21600	0.2097			21600	0.2097
	Transfer			05-Apr-19	1200	22800	0.2214
	Transfer			03-May-19	2400	25200	0.2447
	Transfer			10-May-19	2400	27600	0.268
	Transfer			24-May-19	1200	28800	0.2797
	Transfer			21-Jun-19	13200	42000	0.4078
	Transfer			29-Jun-19	1200	43200	0.4195
	Transfer			20-Dec-19	-1200	42000	0.4078
	Transfer			31-Jan-20	-1200	40800	0.3962
	AT THE END OF THE YEAR					40800	0.3962
6	MINAXI PARMANAND KHANDWALA	39600	0.3845			39600	0.3845
	AT THE END OF THE YEAR					39600	0.3845
7	J M C SECURITIES PVT LTD	16800	0.1631			16800	0.1631
	Transfer			26-Jul-19	1200	18000	0.1748
	Transfer			02-Aug-19	6000	24000	0.2331
	Transfer			09-Aug-19	1200	25200	0.2447
	Transfer			07-Feb-20	1200	26400	0.2564
	Transfer			28-Feb-20	12000	38400	0.3729
	AT THE END OF THE YEAR					38400	0.3729
8	HITEN VAMANRAI PAREKH	25200	0.2447			25200	0.2447
	AT THE END OF THE YEAR					25200	0.2447
9	NIKHIL VORA HUF	0	0			0	0
	Transfer			02-Aug-19	25200	25200	0.2447
	AT THE END OF THE YEAR					25200	0.2447
10	ANOOP JOSEPH	7200	0.0699			7200	0.0699
	Transfer			12-Apr-19	2253	9453	0.0918
	Transfer			19-Apr-19	8547	18000	0.1748
	Transfer			10-May-19	2400	20400	0.1981
	Transfer			17-May-19	2400	22800	0.2214
	Transfer			16-Aug-19	1200	24000	0.2331
	Transfer			27-Dec-19	1200	25200	0.2447
	AT THE END OF THE YEAR					25200	0.2447

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

S. No.		Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Increase	Decrease	No Of Shares Held	% Of Total Shares Of The Company
1.	SANJAY GUPTA	12,32,500	11.97	Nil	Nil	12,32,500	11.97
2.	ASHA GUPTA	54,82,500	53.24	Nil	Nil	54,82,500	53.24
	Total	6715000	65.71	Nil	Nil	6715000	65.71

V. INDEBTEDNESS

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

(in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	5,992.90	0		5,992.90
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	5,992.90	0	0	5,992.90
Change in Indebtedness during the financial year				
- Addition	260.54	324.70		463.66
- Reduction	(121.58)			
Net Change	138.96	324.70	0	463.66
Indebtedness at the end of the financial year	6131.86	324.70		6456.56
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	6131.86	324.70	0	6456.56

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sanjay Gupta (M.D.)	Asha Gupta (W.T.D.)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	72,00,000	60,00,000	1,32,00,000
2.	Stock Option			

B. Remuneration other directors

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager/Director				Total Amount
		SURESH KUMAR JAIN	BISWANATH SHUKLA	SUSHEEL KR. TYAGI	PAWAN KANT	
	Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	60,000	1,30,000	2,10,000	90,000	4,90,000
	Total(1)	60,000	1,30,000	2,10,000	90,000	4,90,000
		SHYAM SUNDER SONI				
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	1,80,000				1,80,000
	Total(2)	1,80,000				1,80,000
	Total(B)=(1+2)	2,40,000	1,30,000	2,10,000	90,000	6,70,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					
1.	Sweat Equity					
2.	Commission - as % of profit - Others, specify...					
3.	Others, please specify					
4.	Total(A)					
	Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	CFO		
			PARUL JAIN	ARUN KUMAR GOEL (Resigned w.e.f 13.11.2019)	Gurpreet Singh (joined w.e.f 13.01.2019)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		198,000	35,06,250	12,00,000	
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others specify					
5.	Others, please specify					
6.	Total		198,000	35,06,250	12,00,000	

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fee imposed	Authority (RD /NCLT/ Court)	Appeal made. If any (give details)
A. Company					
Penalty		a) Late filing of financials for the period ended on 31.03.19	Rs. 76,700	SEBI	
		b) Late filing of financials for the period ended on 30.09.19	Rs. 41,300/-		
Punishment					
Compounding					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

FOR AVG LOGISTICS LIMITED

04.09.2020
NEW DELHI

LAVEENA JAIN
COMPANY SECRETARY &
COMPLIANCE OFFICER

SANJAY GUPTA
CHAIRMAN
DIN: 00527801

ANNEXURE-B

FORM NO. 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.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	N.A.
	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	

2. Details of contracts or arrangements or transactions at Arm s length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	PCG Logistics Pvt Ltd. Relationship: A Private Company in which Directors of our Company are Directors. 1. Asha Gupta. 2. Sanjay Gupta.
	Nature of contracts/arrangements/transaction	Availing of services
	Duration of the contracts/arrangements/transaction	

	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	Freight Income during year 20,53,270
	Date of approval by the Board	Not Required
	Amount paid as advances, if any	

FOR AVG LOGISTICS LIMITED

**04.09.2020
NEW DELHI**

**SANJAY GUPTA
CHAIRMAN
DIN: 00527801**

**ANNEXURE - C
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OVERVIEW**

The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity. The Government of India has announced nation wide lockdown commencing from March 24, 2020 and till date, including locations wherein the Company maintains its warehouse and branches, subject to variations in different parts of the Country. The Company provides logistics services to customers majorly dealing in "essential commodity" and the major operations of the Company are dependent upon the demand from these customers. The Company does not perceive any mid to long term impact on the operations of the Company given that it continues to provide services to its existing customers and transportation restrictions are being liberalized by most the states in the country. However the trends for near future is not predictable at this stage. Reasonable estimates and judgment are made by considering the internal and external information further the uncertainties associated with the nature and duration of this pandemic, the actuals may differ from the estimates considered in these financial statements and the Company will continue to closely monitor any material changes to future economic conditions and respond accordingly. In India the major movement of goods is still by road and the improved road infrastructure, Electronic tolling system (FAstag), increased Axle norms and reduction in movement time is expected to bring efficiencies and cost reductions.

OPPORTUNITIES AND THREATS

In Covid-19 era, disruption in road transportation, due to manpower shortage (Drivers) and State wise restrictions, has thrown an opportunity of utilization of Indian Railways for the free movement of goods. AVG has utilized the services of Indian Railways during the time of this pandemic and is exploring new partnerships for increased business in this sphere in future.

Due to the pandemic the demand for essential goods has been constant and AVG business in this area has been stable and is expected to pick up in the coming times.

As the various Companies are looking for safe storage of goods for the upcoming demand in the economy and maintain appropriate stocks for uncertain times in future, AVG is exploring this opportunity by increasing its footprint in Warehousing and Value added services.

As E-Commerce business seems to be least affected and emerging as preferred option with consumers for purchases. AVG is exploring to work with E-Commerce players to solve their logistics problems

starting from supplies from suppliers to storing at various Warehouses and ensuring last mile delivery. Lower demands due to pandemic has resulted in the short term reduction in business. The downturn in Indian economy may have short term to mid term effect on the transportation market. The business excluding the goods in “Essential” category of AVG may be affected.

Significant reduction of production in manufacturing sector and lower imports are also likely to affect the market load position.

SEGEMENT WISE PERFORMANCE

Set forth below is a table illustrating the breakdown of our revenue from operations, across the business segments:

Segments	Fiscal 2020		Fiscal 2019	
	Amount	% of total revenue from operations	Amount	% of total revenue from operations
	INR in Lacs		INR in Lacs	
Freight	27200.34	84.40	26209.76	83.6
Warehouse	1498.90	5	1443.15	4.6
Sales of Traded goods	3334.51	10.34	3569.34	11.4
Sub-Lease	194.49	0.6	126.96	0.4
Revenue from operations	32228.24	100	31349.21	100

BUSINESS STRATEGY

AVG aims to improve lives by delivering growth and seamlessly connecting businesses with market. Infusing technology and innovation, AVG want to assure its customers with the highest standards of safety, quality and compliance.

Existing Business

AVG started initially by servicing logistics requirements of Nestle India Limited. Over the years, relationship between AVG and Nestle India Limited has grown and currently AVG provides transport, warehouse and other value added services amounting to Rs. 28,699.24 Lacs

AVG over the years has developed deep business relations with Amara Raja Batteries Ltd; DharampalSatyapal Ltd; SC Johnson Products Pvt Ltd; Duraline India Pvt Ltd; Rosenberger Electronics Co India Pvt Ltd; BhartiAirtel Ltd; Glaxo Smithkline Consumer Healthcare Ltd and MRF Ltd. AVG stays committed to serve all the logistics requirements of these partners on priority.

New Business

AVG is aggressively trying to expand its operations by adding new customers. Currently AVG has expanded its business relations with Veeba Food Services Pvt Ltd, , India Mart Intermesh Ltd, Ffield Fresh Foods Pvt Ltd.(DelMonte India), Raymond Apparel Ltd, Shahi Expots Pvt Ltd, Tamil Nadu Newsprint and Papers Limited

AVG has utilized the services of Indian Railways during the time of this pandemic and is exploring new partnerships for increased business in this sphere in future.

Continued Focus on digitization and enhancement in technology

AVG continues to focus on enhancements in technology with innovative operational models improving transparency, data availability and efficiency. AVG has already implemented E-invoicing for some clients, Tyre Protection and Management Solutions (TPMS), Stock & Inventory Management and Real time tracking of vehicles and is actively working on Centralized online indenting Portal, Route Optimization, and Telematics along with other initiatives.

RISKS AND CONCERNS

AVG recognizes that the risks can affect its ability to create value for all stakeholders and has in place mechanisms to handle.

The major risks and concerns associated with the business of AVG includes:

- Ø Highly competitive industry with many unorganized players
- Ø Dependence on Business partners for Vehicles/Warehouse

INTERNAL CONTROL AND INTERNAL AUDIT SYSTEM AND THEIR ADEQUACY

AVG has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit Committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

As due to outbreak of Covid-19 Government of India declared Nationwide Lockdown due to which the **business operations were temporarily disrupted, The management believes that there is no Material effect in operations of the Company except the reduction in sales in Month March accordingly** In the financial year 2019-20, the company managed to increase 2.83% in revenue over last year revenues

Particulars	As at March 31			
	2020	2019	2018	2017
Income				
Revenue from Operations	32228.24	31349.21	22659.36	19474.50
Increase/Decrease	2.83%	38.35%	16.35%	1.33%
Other Income	146.02	221.02	43.74	11.38
Increase/Decrease	(33.93)	405.30%	284.36%	7.36%
Total Revenue	32374.26	31570.23	22703.10	19485.88
Increase/Decrease	2.54%	39.06%	16.51%	1.33%
EBITDA	2534.78	2933.32	2450.62	1667.35
As a % of Total Revenue	7.86%	9.29%	10.79%	8.56%
Increase/Decrease	13.58	19.70%	46.98%	4.23%
Profit before Tax (PBT)	635.97	1340.14	1202.57	640.47
As a % of Total Revenue	1.97%	4.24%	5.30%	3.29%
Increase/Decrease	(52.54%)	11.44%	87.76%	11.66%
Profit after Tax (PAT)	447.97	1011.67	754.65	450.45
As a % of Total Revenue	1.38%	3.20%	3.32%	2.31%
Increase/Decrease	(55.71%)	34.06%	67.53%	18.49%

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The human resources have to be commensurate with the size and growth of the business. As per company HR policy, it has been employing suitable no. of employees from time to time of requisite qualifications and experience and requisite expertise in respective fields. As of 31st March, the company has 416 employees. The focus during the year has been around enhancing the productivity of employees.

The company has also successfully initiated a management training program under which few management graduates from reputed management schools have been inducted into the company. This program aims to build a talent pipeline for future and act as a source for industry requirements.

CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

ANNEXURE- D

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31st, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AVG Logistics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AVG 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 my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year 2019-2020 ended on March 31st 2020, 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 maintained by the Company for the financial year 2019-2020 ended on March 31st, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws frame thereunder;
4. 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;
5. 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;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable since, the Company has not raised further capital during the year).
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable since, the Company has not raised capital under these schemes during the year).
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable since, the Company has not issued any debt securities during the year.)
 - F. The Securities and Exchange Board of India (Registrars to 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 since the Company has not delisted its shares during the year).
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable).
6. The management has not identified and confirmed any laws as specifically applicable to company.
7. We have also examined compliance with the applicable clauses of the following:
 - A. Secretarial Standards issued by The Institute of Company Secretaries of India;
 - B. The SEBI (Listing Obligations & Disclosure Requirements), 2015 ;**
 - C. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

We further report that the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under in relation to External Commercial Borrowings were not attracted during the financial year under report.

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 Audit Period were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven clear days in advance or consent of all directors were received in writing for shorter Board Meeting notice except, In some of the events, the consents were not made available for verification 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. All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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 Company has not incurred any specific event/ action that can have a major bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

- 1. Listing Compliances: The Company has complied with all the SEBI (Listing Obligations & Disclosure Requirements), 2015 compliances and successfully filed/uploaded periodical information on NSE except delay in filing of financial results for the period ended on 31st March, 2019 by 13 days as such NSE levied a penalty of Rs. 76,700 as well as delay in filing of financial results for the half year ended on 30th September 2019 by 7 days and as such NSE levied a penalty of Rs. 41300/-.**
- 2. Stamping of Shares:** There was a delay in filing of documents for payment of stamp duty of the shares so allotted on closure of IPO & still stamp duty is payable, being matter pending with the SDM as on 31st March, 2020.
- 3. Compliance regarding filing of Returns/ Forms with MCA:** The Company although has complied with all the provisions with regards to filing of Returns/Forms within the stipulated period prescribed for such purpose except In some of the matters where Forms/ Returns were filed with additional fees/ penalty.

We further report that we rely on Statutory Auditor's Report in relation to the financial statements and accuracy of financial figures for Sales Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under Financial Statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

M/s Sunni Gupta & ASSOCIATES

C.S. Sunni Gupta
ACS 47392
C.P. No.: 17871
UDIN:AO47392B000614629

Date: 25.08.2020
Place: DELHI

'Annexure A'

To,
The Members
AVG 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. 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 and the record made available to us.
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.

M/s Sunni Gupta & ASSOCIATES

C.S. Sunni Gupta
ACS 47392
C.P. No.: 17871

Date: 25.08.2020
Place: DELHI

ANNEXURE- E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy (Approved by the Board of Directors on 13.11.2018)

The CSR policy of the Company is hosted on the website of the Company and can be accessed at the belowlink http://www.avglogistics.com/upload/document/document_572731300.pdf

The Company has formed the CSR Policy and In terms of General Circular 21/2014 issued by the Ministry of Corporate Affairs, our contribution towards various activities undertaken qualifies as CSR expenditure.

2. Composition of the CSR Committee

The Board has duly constituted a CSR Committee and its composition is as under-

Name of the Member	Designation
Pawan Kant	Chairman
Asha Gupta	Member
Sanjay Gupta	Member

3. Average Net profit of the Company for last 3 financial years:

The average net profits for the last three financial years computed as stated under Section 135 of the Companies Act, 2013 INR 10,92,99,009.

4. Prescribed CSR expenditure (Two per cent. of the amount as in item no.3 above):

As stipulated under the Companies Act, 2013, the prescribed CSR expenditure i.e. 2 % of the amount as mentioned above is INR 21,85,980

5. Details of CSR spent during the financial year:

- a) Total amount to be spent for the Financial Year – INR 21,85,980
- b) Amount Spent – INR 22,07,979
- c) Manner in which the amount spend during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs - State / Union territories where the project / program undertaken	Amount outlay (Budget) project or programs wise	Amount spent on project or program	Amount spent Direct or through implementing agency
1.	Contribution to Shri Krishna Gaushala	Animal welfare	Bhiwani, Haryana	5,00,000	5,00,000	Direct

2.	Free medical checkup Camp	Medical	Tahliwal, Una, Himachal Pradesh	160,000	160,000	Direct	
3.	Eye check up Camp	Medical	Shubhkarman, Multi speciality Hospital, Tahliwal, Una, Himachal Pradesh	13,950	13,950	Direct	
4.	Donation to Blind & Handicap Asharam	Medical	Shree Kuber Enterprise Andhra Pradesh, Renigunta	9000	9000	Direct	
5.	Old Age Home	Socio Economic Development	Andhra Pradesh, Renigunta	11,75,029	11,75,029	Direct	50% of Cost of Project under construction

6. The company took CSR activities in line with its policy and objectives and has even expended amount more than the budget parked for the CSR initiatives.

7. Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, we hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives in line with CSR Objectives and Policy of the Company.

SANJAY GUPTA
MANAGING DIRECTOR
DIN: [00527801](#)

Pawan Kant
CHAIRMAN
D I N : [0 8 5 9 4 8 9 5](#)

04.09.2020
NEW DELHI

(ANNEXURE-F)

Form DIR-2

Consent to act as a director of a company

[Pursuant to section 152(5) and rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014]

To,
AVG LOGISTICS LIMITED
OFFICE NO. 25, D.D.A MARKET,
SAVITA VIHAR, DELHI 110092

Subject: Consent to act as a director.

I, **Pawan Kant** hereby give my consent to act as Independent Director of **AVG LOGISTICS LIMITED**, pursuant to sub-section (5) of section 152 of the Companies Act, 2013 and certify that I am not disqualified to become a director under the Companies Act, 2013.

1.	Director Identification Number (DIN)	08594895
2.	Name (in full)	Pawan Kant
3.	Fathers Name (in full)	Late G.N Lal
4.	Address	Flat No H-405 Surya Vihar , Sector-21 Gurugram Haryana , Pin 122016
5.	E-mail id	ppp11672002@yahoo.com
6.	Mobile No.	9871968897
7.	Incometax PAN	AKUPK7667D
8.	Occupation	Profession
9.	Date of birth	08.12.1958
10.	Nationality	Indian

11. No. of companies in which I am already a Director is **0** and out of such companies the names of the companies in which I am a Managing Director, Chief Executive Officer, Whole time Director, Secretary, Chief Financial Officer, Manager: **Nil**.

12. Particulars of membership No. and Certificate of practice No. if the applicant is a member of any professional Institute: **NA**

DECLARATION

I declare that I have not been convicted of any offence in connection with the promotion, formation or management of any company or LLP and have not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years.

I further declare that if appointed my total Directorship in all the companies shall not exceed the prescribed number of companies in which a person can be appointed as a Director.

Date: 04.09.2020

NAME: Pawan Kant

Place: DELHI

DIN: 08594895

(ANNEXURE-G)

Form DIR-2

Consent to act as a director of a company

[Pursuant to section 152(5) and rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014]

To

**AVG LOGISTICS LIMITED
OFFICE NO. 25, D.D.A MARKET,
SAVITA VIHAR, DELHI 110092**

Subject: Consent to act as a director.

I, **Asha Gupta** hereby give my consent to act as Whole Time Director of **AVG LOGISTICS LIMITED**, pursuant to sub-section (5) of section 152 of the Companies Act, 2013 and certify that I am not disqualified to become a director under the Companies Act, 2013.

1.	Director Identification Number (DIN)	0286475
2.	Name (in full)	Asha Gupta
3.	Fathers Name (in full)	Sh. Bahadur Mal Agarwal
4.	Address	423, Kanungo Apartment, I.P. Extn, Patparganj, New Delhi
5.	E-mail id	vgupta5678@avglogistics.com
6.	Mobile No.	9811074171
7.	Incometax PAN	AETPG8803J
8.	Occupation	Business
9.	Date of birth	08/08/1969
10.	Nationality	Indian

11. No. of companies in which I am already a Director and out of such companies the names of the companies in which I am a Managing Director, Chief Executive Officer, Whole time Director, Secretary, Chief Financial Officer, Manager: **One**

12. Particulars of membership No. and Certificate of practice No. if the applicant is a member of any professional Institute: NA

DECLARATION

I declare that I have not been convicted of any offence in connection with the promotion, formation or management of any company or LLP and have not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years.

I further declare that if appointed my total Directorship in all the companies shall not exceed the prescribed number of companies in which a person can be appointed as a Director.

Date: 04.09.2020
Place:

NAME: Asha Gupta
DelhiDIN: 02864795

Annexure - H

FORM NO. AOC.1
Statement containing salient features of the financial statement of
Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No.
2. Name of the subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share capital
6. Reserves & surplus
7. Total assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before taxation
12. Provision for taxation
13. Profit after taxation
14. Proposed Dividend
15. % of shareholding

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	NDRAVG BUSINESS PARK PRIVATE LIMITED
1. Latest Audited Balance Sheet Date	31 ST March, 2020
2. Shares of Associate/Joint Ventures held by the company on the year end	
Number	9,845,697
Amount of Investment in Associate/Joint Venture	98,456,970
Extent of Holding%	35%
3. Description of how there is significant influence	Shareholding exceeding 20%
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Networth attributable to Shareholding as per latest audited Balance Sheet.	99257889.9
6. Loss for the year	
i. Considered in Consolidation	7096712
ii. Not Considered in Consolidation	13179607

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

**For and on behalf of Board of Directors of
AVG Logistics Limited**

SANJAY GUPTA
Managing Director
DIN: 00527801

Asha Gupta
Director
DIN: 02864795

Laveena Jain
Company SecretaryCFO

Gurpreet Singh Luthra

**Annexure-I
Details of Top Ten Employees (in terms of Remuneration).**

S.No	Name	Designation
1	Vinayak Gupta	Vice-President
2	Gurpreet Singh Luthra	Chief Financial officer
3	PRAVEEN KUMAR	Senior General Manager, Finance
4	G.Venkateshwar Rao	Country Head Marketing
5	Ashok Kumar Sharma	Head Rail Operations
6.	Dayanand Sharma	General Manager Marketing
7	Rajesh Kumar	Manager Operations
8.	Basant Nayak	Head Express division (Operations)
9.	Ashwan Kumar	General Manager Finance
10.	Ajay Kumar	Head of Operations

INDEPENDENT AUDITOR'S REPORT

To the Members of AVG Logistics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of AVG Logistics Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the below matter in the Notes to the standalone financial statements:

1. Note 44 which states that management the Company has made an assessment of the impact of COVID-19 on the Company’s operations, financial performance and financial position as at and for the year ended March 31, 2020 and have concluded that there is no impact which is required to be recognized in the standalone financial statements. Accordingly, no adjustment has been made to the standalone financial statements.

Our opinion is not modified in respect of above matter.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the annual report but does not include the standalone financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Revenue Recognition The Company recognises revenue when the control of goods is transferred to the customer. Revenue from services is recognised over the period of contract (in case of 'Warehousing Income') and as and when the services are rendered (in case of 'Freight Income') and collectability is reasonably assured. The Company and its external stakeholders focus on revenue as a key performance indicator. In view of the above we have identified revenue recognition as a key audit matter.</p>	<p>Our audit procedures in respect of this area include but are not limited to:</p> <ul style="list-style-type: none"> - Assessed the compliance of revenue recognition accounting policies, including those relating to discounts and rebates; - Performed substantive cut-off testing by selecting statistical samples of revenue transactions recorded at year-end and agreeing to the underlying documents, which included sales invoices and related documents as applicable on unorganised sector in which the Company operate; - Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating revenue, and the associated unbilled revenue, unearned and deferred revenue balances; - Performed analytical procedures for reasonableness of incurred and estimated efforts. - Tested the appropriate evidence in case of cash transactions.
2	<p>Long outstanding trade receivables The Company has trade receivables outstanding for more than one year. Though, the Company is actively pursuing the collection of these balances, form allowance onwards for doubtful debts has been considered by the Management</p>	<p>Our audit procedures in respect of this are included:</p> <ol style="list-style-type: none"> 1. Obtained the listing and ageing of the trade receivables and traced their balances to the financial statements. 2. Performed the balance confirmation procedures and alternate procedures where we did not receive response to our confirmation requests. 3. Assessed the basis of management's judgement regarding allowance made against long outstanding balances.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	based on the facts and circumstances of each case. We have determined this matter to be key audit matter due to the significance of the amounts and judgement involve	4. Assessed the appropriateness of presentation/disclosure in the standalone financial statements.

Responsibilities of Management and Those Charged with Governance for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. 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, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. The matters described in Annexure C to this report under 'Material Weaknesses' paragraph, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - h. 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements;
 - 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;

Independent Auditor's Report



3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 20094518AAAAEJ8311

Place: Gurugram
Date: September 4, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

Amit Mitra

Partner

Membership No.: 094518

UDIN: 20094518AAAAEJ8311

Place: Gurugram

Date: September 4, 2020

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED FOR THE YEAR ENDED MARCH 31, 2020

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

- i.
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
 - (b) Fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has granted unsecured loans to NDRAVG Business Park Private Limited during the financial year 2018-19 covered in the register maintained under section 189 of the Act.
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the rate of interest and other terms and conditions on which the loans have been granted to the Company listed in the register maintained under Section 189 of the Act are prima facie, prejudicial to the interest of the Company till the repayment of the loan. The amount granted in the financial year 2018-19 was repaid back to the Company during the financial year 2019-20 and no new loans have been granted during the financial year 2019-20.

Name of the Party	Relationship	Maximum amount outstanding during the year (INR Lakhs)	Amount as at March 31, 2019 (INR Lakhs)	Amount as at March 31, 2020 (INR Lakhs)	Rate of Interest
NDRAVG Business Park Private Limited (Also	Enterprises over which the key management personnel have the significant	59.81	59.81	Nil	Nil

covered under Section 185)	influence				
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- (b) In case of the loans granted to the Company listed in the register maintained under section 189 of the Act, schedule of repayment of principal and payment of interest have been not been stipulated as these are repayable on demand.
- (c) There are no amounts overdue for more than ninety days in respect of the loan granted to Company listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans made and details are as follows:

Reporting under Section 185

Name of the Party	Relationship	Nature of Transaction	Maximum amount outstanding during the year (INR Lakhs)	Amount as at March 31, 2019 (INR Lakhs)	Amount received during the year	Amount as at March 31, 2020 (INR Lakhs)	Rate of Interest
SVJ Developers Private Limited	There is no significant influence as at March 31, 2020 since the employee of the Company who was also the director in SVJ Developers has been resigned from the Company with effect from September 02, 2019	Granting of unsecured loans	452.00	452.00	175.00	277.00	11 %

Reporting under Section 186

Sr. No.	Name of Company/ Party	Maximum amount outstanding during the year (INR Lakhs)	Amount as at March 31, 2019 (INR Lakhs)	Amount received during the year (INR Lakhs)	Amount as at March 31, 2020 (INR Lakhs)	Rate of Interest
1.	M/S United Mining Corporation	60.00	60.00	60.00	Nil	11%
2.	M/S Redberry Exim	14.90	14.90	14.90	Nil	10%
3.	M/S CC Trading	30.63	30.63	25.00	5.63	9%
4.	R N Finance Limited	287.32	287.32	Nil	287.32	11%
5.	Dhan Kuber Finance Private Limited	40.40	40.40	Nil	40.40	11%

- v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31, 2020 and the Company has not accepted any deposits during the year.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to 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, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund and employee's state insurance and there are serious delays in depositing labour welfare fund, professional tax, income tax, goods and service tax with appropriate authorities.
- (b) According to the information and explanations given to us, undisputed dues in respect of income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.
Statutory dues which were outstanding, as at March 31, 2020 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (INR Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax Deducted at source	0.07	May 2019	June 2019	August 14, 2020
Income Tax Act, 1961	Tax Deducted at source	0.04	July 2019	August 2019	August 14, 2020
Income Tax Act, 1961	Tax Deducted at source	0.16	August 2019	September 2019	August 14, 2020
Income Tax Act, 1961	Tax Deducted at source	0.50	June 2019	July 2019	July 18, 2020

- (c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders except for the cases mentioned in the Annexure I.
- ix. In our opinion, according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. During the course of our audit, 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.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, 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. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 20094518AAAAEJ8311

Place: Gurugram
Date: September 4, 2020

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **AVG Logistics Limited** ("the Company") as of March 31, 2020 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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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) (the "Guidance Note"). 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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020:

1. In case of freight income from transporters, the Company does not have an appropriate internal control system defining a process for customer acceptance, credit evaluation, establishing customer credit limit, determination of prices and other terms of the business, controls in place to ensure proof of delivery of services to collection process and reconciliation of receipts with invoices. Such control weakness could potentially result in the Company recognizing revenue without establishing reasonable certainty of ultimate collection.
2. In case of 'Lorry Trip Advance', the Company does not have a defined process in place to timely reconcile such advances with expense settlement. This may potentially result in recognition of expenses in the inappropriate period.
3. The Company did not have a robust policy for cash payments and cash receipts. In the absence of adequate cash management system (Treasury Process) in place, there is a possibility of making unauthorized payments and adjustments thereon.
4. The Company does not have formal period closure process to account for adjustments specifying the period end activities that are required to be carried out by a company, most importantly covering period-end cut offs, assessment of doubtful debts, reconciliation of key balances. Without a formal process of financial statement closure process ensuring accuracy and consistency in processing of the documents may be difficult.

5. The Company does not have in place documented policy for employee advances and subsequent settlement, this could potentially result in misappropriation of employee advances.
6. In case of advance to supplier the Company does not have an appropriate internal control system with regard to documentation of related purchase order, agreements, timely reconciliation with subsequent settlement etc. which could potentially result in inappropriate settlements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 standalone financial statements of the Company, and except for the matter stated in point 1, these material weaknesses does not affect our opinion on the standalone financial statements of the Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 20094518AAAAEJ8311

Place: Gurugram
Date: September 4, 2020

Particulars	Note	As at 31 March 2020	As at 31 March 2019
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	1,029.80	1,029.80
Reserves and surplus	3	6,344.28	5,896.31
		7,374.08	6,926.11
Non-Current liabilities			
Long-term borrowings	4	2,777.85	2,899.43
Other long term liabilities	5	252.19	322.55
Long term provisions	6	67.03	46.78
		3,097.07	3,268.76
Current liabilities			
Short-term borrowings	7	3,678.71	3,093.47
Trade payables	8		
(i) Dues of micro enterprises and small enterprises		14.90	0.32
(ii) Dues of creditors other than micro enterprises and small enterprises		2,733.09	963.29
Other current liabilities	9	3,938.08	3,246.88
Short-term provisions	10	61.25	42.89
		10,426.03	7,346.85
		20,897.18	17,541.72
ASSETS			
Non-Current Assets			
Fixed assets			
Property, plant and equipments	12 (a)	3,923.01	3,740.93
Intangible assets	12 (b)	3.85	6.13
Capital work in progress	12 (a)	1,637.26	785.42
Non-current investments	13	986.07	986.07
Deferred tax assets	14	131.09	20.82
Long term loans and advances	15	991.89	1,048.41
Other non current assets	16	41.87	156.16
		7,715.04	6,743.94
Current Assets			
Inventories	17	69.35	8.18
Trade receivables	18	8,116.28	7,046.73
Cash and bank balances	19	618.87	235.74
Short-term loans and advances	20	3,457.59	2,950.01
Other current assets	21	920.05	557.12
		13,182.14	10,797.78
		20,897.18	17,541.72

Summary of significant accounting policies

1 (b)

The accompanying notes are an integral part of these standalone financial statements.

 For **MSKA & Associates**

Chartered Accountants

Firm Registration Number: 105047W

Amit Mitra

Partner

Membership Number: 094518

Place : Gurugram

Date: September 4, 2020

For and on behalf of the Board of Directors of

AVG LOGISTICS LIMITED

CIN:L60200DL2010PLC198327

Sanjay Gupta

Managing Director

DIN: 00527801

Asha Gupta

Director

DIN: 02864795

Laveena Jain

Company Secretary

Gurpreet Singh Luthra

Chief Financial Officer

Place: Delhi

Date: September 4, 2020

AVG Logistics Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	22	32,228.24	31,349.21
Other income	23	146.02	221.02
		32,374.26	31,570.23
Expenses			
Purchases of traded goods	24	3,510.73	3,654.61
Changes in inventories	25	(61.17)	8.37
Operating expenses	26	22,994.77	21,740.10
Employee benefits expense	27	1,408.93	1,232.01
Finance costs	28	968.09	837.41
Depreciation and amortization expense	12	930.72	755.77
Other expenses	29	1,963.10	1,920.72
		31,715.17	30,148.99
Profit before tax and prior period adjustments		659.09	1,421.24
Prior period expense (net)	31	23.12	81.10
Profit before tax		635.97	1,340.14
Tax expense:			
(1) Current tax		289.83	463.39
(2) Prior period tax		8.44	(8.76)
(3) Deferred tax		(110.27)	(126.16)
Profit for the year		447.97	1,011.67
Earning per equity share (nominal Value of Share INR 10 (Previous year INR 10))			
(1) Basic	31	4.35	9.97
(2) Diluted	31	4.35	9.97

Summary of significant accounting policies

1 (b)

The accompanying notes are an integral part of these standalone financial statements.

For **MSKA & Associates**

Chartered Accountants

Firm Registration Number: 105047W

For and on behalf of the Board of Directors of

AVG LOGISTICS LIMITED

CIN:L60200DL2010PLC198327

Amit Mitra

Partner

Membership Number: 094518

Sanjay Gupta

Managing Director

DIN: 00527801

Asha Gupta

Director

DIN: 02864795

Place : Gurugram

Date: September 4, 2020

Laveena Jain

Company Secretary

Gurpreet Singh Luthra

Chief Financial Officer

Place: Delhi

Date: September 4, 2020

AVG Logistics Limited

Standalone Cash Flow Statement for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flow from operating activities		
Net profit before tax	635.97	1,340.14
Adjustments for:		
Depreciation and amortisation	930.72	755.77
Profit on sale of property, plant and equipment (net)	(36.68)	(7.67)
Finance costs	968.09	837.41
Interest income	(93.58)	(104.11)
Operating cash flows before working capital changes	2,404.52	2,821.54
Adjustments for changes in working capital :		
(Decrease)/ increase in trade payables	1,784.38	166.14
(Decrease)/ increase in provisions	38.61	32.63
(Decrease)/ increase in other liabilities	405.37	1,220.15
(Increase)/ Decrease in trade receivables	(1,069.55)	(2,351.66)
(Increase)/ Decrease in loans and advances	(480.69)	(1,498.18)
Decrease/ (Increase) in inventories	(61.17)	8.36
(Increase)/ Decrease in other current and non-current assets	(288.95)	(404.66)
Cash generated from operations	2,732.52	(5.68)
Taxes (paid)	(677.89)	(578.80)
Net cash flow (used)/ generated in operating activities	2,054.63	(584.48)
B. Cash flows from investing activities:		
Purchase and construction of Property, Plant & Equipments and intangible assets including movement in Capital Work-in Progress and Capital Advances	(1,974.30)	(2,920.15)
Purchase of non current investment	-	(831.07)
Proceeds from / (Investment) in deposits	(161.54)	62.43
Proceeds from sale of Property, Plant and Equipment	104.51	18.73
Loans given to related Parties	(1.00)	(59.81)
Loans repaid by related Parties	60.81	41.00
Loans given to other parties	-	(336.36)
Loans repaid by others parties	274.91	181.90
Interest received	19.60	24.49
Net cash flow used in investing activities	(1,677.01)	(3,818.84)
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital including securities premium	-	3,306.30
Share issue expenses	-	(351.78)
Proceeds from long-term borrowings	1,563.10	3,147.26
Repayment of long-term borrowings	(1,431.13)	(1,047.75)
Proceeds from short-term borrowings	585.24	123.96
Interest paid	(987.53)	(689.11)
Net cash flow generated/ (used) from financing activities	(270.32)	4,488.88
Net increase in cash and cash equivalents (A+B+C)	107.30	85.56
Cash and cash equivalents at beginning of year	235.74	150.18
Cash and cash equivalents at end of the year	343.04	235.74

AVG Logistics Limited

Standalone Cash Flow Statement for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

Components of cash and cash equivalents (Refer note 19):

Cash on hand	139.78	123.01
Balances with banks:		
On current accounts	203.26	112.73
	<u>343.04</u>	<u>235.74</u>

Summary of significant accounting policies 1(b)

Footnotes :

1. The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 Cash Flow Statements, notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
2. The accompanying notes form an integral part of these financial statements.
3. Figures in bracket represent cash outflows.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Amit Mitra
Partner
Membership Number: 094518

Place : Gurugram
Date: September 4, 2020

For and on behalf of the Board of Directors of
AVG LOGISTICS LIMITED
CIN:L60200DL2010PLC198327

Sanjay Gupta
Managing Director
DIN: 00527801

Asha Gupta
Director
DIN: 02864795

Laveena Jain
Company Secretary

Gurpreet Singh Luthra
Chief Financial Officer

Place: Delhi
Date: September 4, 2020

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

2 Share capital

The Company has only one class of shares having a par value of INR 10 per share, referred to herein as equity share.

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of INR 10 each (previous year equity Shares of INR 10 each)	12,000,000	1,200.00	12,000,000	1,200.00
Issued, subscribed and fully paid up				
Equity Shares of INR 10 each (previous year equity Shares of INR 10 each)	10,298,000	1,029.80	10,298,000	1,029.80
	10,298,000	1,029.80	10,298,000	1,029.80

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	10,298,000.00	1,029.80	7,208,000	720.80
Add: Additional Shares issued during the year	-	-	3,090,000	309.00
Outstanding at the end of the year	10,298,000	1,029.80	10,298,000	1,029.80

b Details of shareholders holding more than 5% shares in the company

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Mr. Sanjay Gupta	1,232,500	11.97%	1,232,500	11.97%
Mrs. Asha Gupta	5,482,500	53.24%	5,482,500	53.24%
Sixth Sense India Opportunities II	1,803,600	17.51%	1,672,800	16.24%

The above information is furnished as per the shareholder register as on March 31, 2020

d Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. However, the Company has not distributed any dividend during the current year and previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back by the Company during the period.

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2020
(All amount in INR Lakhs, unless otherwise stated)

3 Reserves and surplus

Share premium

Opening balance	2,659.52	14.00
Add: Premium on issue on account of Initial Public Offer (IPO)	-	2,997.30
Less: Share issue cost	-	(351.78)
Closing balance	2,659.52	2,659.52

	As at March 31, 2020	As at March 31, 2019
Opening balance	2,659.52	14.00
Add: Premium on issue on account of Initial Public Offer (IPO)	-	2,997.30
Less: Share issue cost	-	(351.78)
Closing balance	2,659.52	2,659.52

Surplus in Statement of Profit and Loss

Opening balance	3,236.79	2,225.12
Add: Profit for the year	447.97	1,011.67
Closing balance	3,684.76	3,236.79

	As at March 31, 2020	As at March 31, 2019
Opening balance	3,236.79	2,225.12
Add: Profit for the year	447.97	1,011.67
Closing balance	3,684.76	3,236.79

4 Long-term borrowings

Secured loan

Term loan from bank including vehicle loan	2,032.39	2,504.68
Less : Disclosed as "Other current liabilities" (Refer note 9)	(584.83)	(457.30)

	As at March 31, 2020	As at March 31, 2019
Term loan from bank including vehicle loan	2,032.39	2,504.68
Less : Disclosed as "Other current liabilities" (Refer note 9)	(584.83)	(457.30)

Term loan From NBFC

Less : Disclosed as "Other current liabilities" (Refer note 9)	(936.10)	(810.08)
Total	2,777.85	2,899.43

Term loan From NBFC	2,266.39	1,662.13
Less : Disclosed as "Other current liabilities" (Refer note 9)	(936.10)	(810.08)
Total	2,777.85	2,899.43

Terms of loans

Sl No	Nature of Lender	Terms of Repayment and Rate of Interest (ROI) % (Per Annum)	Details of securities against borrowings	As at March 31, 2020	As at March 31, 2019
Term Loan from the bank					
1	Punjab National Bank	Repayable in 28 quarterly installments starting from April 1, 2020 with ROI 10.55%	Land and Buildings, machinery, electronic items, office furniture, fittings and furnishing with office equipments like computers, printers and vehicles etc. to be purchased from term loan and from own sources	957.15	444.10
Vehicle Loan					
2	IndusInd Bank Limited	Repayable in 46 to 47 monthly installments with ROI ranging from 9.95% to 11.10%.	Hypothecation of vehicle (Truck)	523.94	317.19
3	HDB financial Services Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 10.47% to 12.00%.	Hypothecation of vehicle (Truck)	91.69	158.85
4	Hinduja Leyland Finance Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 10.01% to 14.3%.	Hypothecation of vehicle (Truck)	493.70	747.81
5	ICICI Bank Limited	Repayable in monthly installments ranging from 34 to 47 months with ROI ranging from 9.4% to 11.5%.	Hypothecation of vehicle (Truck)	269.37	455.95
6	India Infoline Finance Limited	Repayable in monthly installments ranging from 23 to 35 months with ROI ranging from 12% to 13%.	Hypothecation of vehicle (Truck)	65.23	180.10
7	Kotak Mahindra Bank Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 9.35% to 12.63%.	Hypothecation of vehicle (Truck)	241.61	394.99
		Repayable in 36 monthly installments with ROI 9.99%.	Hypothecation of vehicle (Car)	-	0.22
8	Mahindra and Mahindra Finance	Repayable in 47 monthly installments with ROI 11.51%.	Hypothecation of vehicle (Truck)	157.13	200.00
9	Sundaram Finance Limited	Repayable in 47 monthly installments with ROI ranging from 9.96% and 10.96%.	Hypothecation of vehicle (Truck)	515.81	275.38
10	Tata Capital Financial Services Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 12.7% and 12.8%.	Hypothecation of vehicle (Truck)	2.07	14.67
11	Tata Motors Finance Limited	Repayable in monthly installments ranging from 34 to 47 months with ROI ranging from 8.88% and 11.24%.	Hypothecation of vehicle (Truck)	198.82	305.39

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

Sl No	Nature of Lender	Terms of Repayment and Rate of Interest (ROI) % (Per Annum)	Details of securities against borrowings	As at March 31, 2020	As at March 31, 2019
12	Volkswagen Finance Private Limited	Repayable in monthly installments ranging from 36 to 48 months with ROI ranging from 10% and 10.5%.	Hypothecation of vehicle (Truck)	684.07	542.37
		Repayable in 60 monthly installments with ROI 10.25%.	Hypothecation of vehicle (Car)	0.50	7.16
13	Punjab National Bank	Repayable in monthly installments ranging from 60 to 84 months with ROI ranging from 8.90% and 10%.	Hypothecation of vehicle (Car)	8.87	7.27
14	Union Bank of India	Repayable in 48 monthly installments with ROI 10.7%.	Hypothecation of vehicle (Car)	5.67	10.47
15	Yes Bank Limited	Repayable in monthly installments ranging from 48 to 60 months with ROI ranging from 9.14% and 10.25%.	Hypothecation of vehicle (Car)	22.86	27.91
16	HDFC Bank	Repayable in 36 monthly installments with ROI 11.25%.	Hypothecation of vehicle (Car)	2.93	-
17	Equitas Small Finance Bank	Repayable in 46 monthly installments with ROI 11%.	Hypothecation of vehicle (Truck)	57.36	76.98
Total				4,298.78	4,166.81

5 Other long term liabilities

Security deposits
Deferred lease liability

	As at March 31, 2020	As at March 31, 2019
Security deposits	64.43	170.24
Deferred lease liability	187.76	152.31
Total	252.19	322.55

6 Long term provisions

Provision for gratuity

	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	67.03	46.78
Total	67.03	46.78

7 Short-term borrowings

Secured loan
- From banks
Unsecured loan
- From associate company

	As at March 31, 2020	As at March 31, 2019
Secured loan - From banks	3,354.01	3,093.47
Unsecured loan - From associate company	324.70	-
Total	3,678.71	3,093.47

Terms of loans

Sl No	Nature of Lender	Terms of Repayment and Rate of Interest (ROI) % (Per Annum)	Details of securities against borrowings	As at March 31, 2020	As at March 31, 2019
Cash credit from banks					
1	Union Bank of India	Repayable on demand with ROI 12.35%	Hypothecation of Book Debts and stocks	-	46.29
2	Punjab National Bank	Repayable on demand with ROI 10.5%	First Parri passu charge on Book debts arising out of genuine trade transactions including advances to suppliers and other current assets shared with other consortium lender for fund based working capital (FBWC)	3,354.01	3,047.18
Total				3,354.01	3,093.47

8 Trade payables

Total outstanding dues of micro enterprises and small enterprises and,
Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises and, Total outstanding dues of creditors other than micro enterprises and small enterprises	14.90 2,733.09	0.32 963.29
	2,747.99	963.61

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier as at March 31, 2010 are as follows:

Particulars

(a) Amount remaining unpaid to any supplier at the end of each accounting year:

- Principal amount

- The interest due thereon

(b) the amounts paid by the buyer during the year:

- Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006:

- Principal repaid to suppliers beyond the appointed day during each accounting year

(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

(d) the amount of interest accrued and remaining unpaid at the end of each accounting year

(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

	As at March 31, 2020	As at March 31, 2019
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
- Principal amount	14.90	0.32
- The interest due thereon	-	-
(b) the amounts paid by the buyer during the year:		
- Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006:		
- Principal repaid to suppliers beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

9 Other current liabilities

Current maturities of long term borrowings
Interest accrued and due
Interest accrued but not due
Security deposits
Payable in respect of purchase of property, plant and equipment
Other payables
Employees related payable
Advance from customers
Interest payable on statutory dues
Goods and service tax
Other statutory dues

	As at March 31, 2020	As at March 31, 2019
Current maturities of long term borrowings	1,520.93	1,267.38
Interest accrued and due	5.94	-
Interest accrued but not due	16.11	41.49
Security deposits	83.57	-
Payable in respect of purchase of property, plant and equipment	139.97	158.61
Other payables	198.93	8.49
Employees related payable	180.77	155.490
Advance from customers	13.29	-
Interest payable on statutory dues	188.41	106.80
Goods and service tax	1,537.01	1,461.58
Other statutory dues	53.15	47.04
	3,938.08	3,246.88

10 Short-term provisions

Provision for bonus
Provision for leave encashment
Provision for gratuity

	As at March 31, 2020	As at March 31, 2019
Provision for bonus	33.73	27.58
Provision for leave encashment	5.99	3.68
Provision for gratuity	21.53	11.63
	61.25	42.89

AVG Logistics Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2020

(All amounts in INR Lakhs, unless otherwise stated)

12 (a). Property, plant and equipment

Particular	Freehold land	Leasehold land	Vehicle	Trucks	Furniture & fixtures	Office equipment	Computers	Total	Capital work in progress
Gross block									
As at April 1, 2018	158.05	18.68	261.80	3,798.88	54.56	143.77	61.18	4,496.92	432.13
Addition	12.38	17.20	41.76	2,241.53	10.48	14.05	8.34	2,345.74	2,551.54
Deletion	-	-	16.69	39.36	-	-	-	56.05	2,198.25
As at March 31, 2019	170.43	35.88	286.87	6,001.05	65.04	157.82	69.52	6,786.61	785.42
Addition	21.63	-	16.00	1,101.95	5.38	27.93	5.46	1,178.35	1,811.22
Deletion	-	-	4.26	305.48	-	-	-	309.74	959.38
As at March 31, 2020	192.06	35.88	298.61	6,797.52	70.42	185.75	74.98	7,655.22	1,637.26
Accumulated depreciation									
As at April 1, 2018	-	0.62	118.23	2,084.48	16.17	73.01	43.57	2,336.08	
Charge for the year	-	1.09	30.39	687.63	5.24	22.61	7.63	754.59	
Disposals	-	-	12.95	32.04	-	-	-	44.99	
As at March 31, 2019	-	1.71	135.67	2,740.07	21.41	95.62	51.20	3,045.68	
Charge for the year	-	1.20	33.61	857.06	6.25	21.71	8.61	928.44	
Disposals	-	-	3.06	238.85	-	-	-	241.91	
As at March 31, 2020	-	2.91	166.22	3,358.28	27.66	117.33	59.81	3,732.21	
Net block									
As at March 31, 2019	170.43	34.17	151.20	3,260.98	43.63	62.20	18.32	3,740.93	
As at March 31, 2020	192.06	32.97	132.39	3,439.24	42.76	68.42	15.17	3,923.01	

AVG Logistics Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2020

(All amounts in INR Lakhs, unless otherwise stated)

12 (b). Intangible assets

Particular	Software	Total
<u>Gross block</u>		
As at April 1, 2018	2.22	2.22
Addition	7.20	7.20
Deletion	-	-
As at March 31, 2019	9.42	9.42
Addition	-	-
Deletion	-	-
As at March 31, 2020	9.42	9.42
<u>Accumulated depreciation</u>		
As at April 1, 2018	2.11	2.11
Charge for the year	1.18	1.18
Disposals	-	-
As at March 31, 2019	3.29	3.29
Charge for the year	2.28	2.28
Disposals	-	-
As at March 31, 2020	5.57	5.57
<u>Net block</u>		
As at March 31, 2019	6.13	6.13
As at March 31, 2020	3.85	3.85

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2020
(All amount in INR Lakhs, unless otherwise stated)

13 Non-current investments

	As at March 31, 2020	As at March 31, 2019
Unquoted Investment		
Equity Instrument (9,845,697 Equity Shares of INR 10 each fully paid-up in NDRAVG Business Park Private Limited)	984.57	984.57
Investment in capital of Limited Liability Partnership		
NDR AVG Logistics LLP	1.50	1.50
	986.07	986.07
Aggregate amount of unquoted non-current investment	986.07	986.07
Aggregate provision made for diminution in value of investment	-	-

Footnote:

- (i) The Company holds 35% (Previous year Nil) of total shares capital of NDRAVG Business Park Private Limited, a Joint Venture Company.
- (ii) Investment in limited liability partnership firm

Investment in NDR AVG Logistics LLP

Name of the partners

	As at March 31, 2020	As at March 31, 2019
	Share in profit (%)	
N D R Ware Housing Pvt Ltd	60%	60%
AVG Logistics Ltd	30%	30%
N.Amrutesh Reddy	6%	6%
Sanjay Gupta	4%	4%
Total capital of firm	5.00	5.00

14 Deferred tax Asset, net

Major components of deferred tax arising on account of timing differences along with their movement as at March 31, 2020 are:

	As at March 31, 2020	Charge/ (benefit) for the year	As at March 31, 2019
Deferred tax assets/ (liabilities)			
Provision for retirement benefits	23.80	(5.72)	18.08
Provision for lorry advance	95.24	(95.24)	-
Provision for employee advance	5.48	(5.48)	-
Provision for doubtful debts	111.05	(45.75)	65.30
Provision for Bonus	8.49	(0.46)	8.03
Provision for labour welfare fund	-	0.09	0.09
Deferred lease liability	47.26	(2.91)	44.35
Pre-operative expenses	49.55	26.90	76.45
Total (A)	340.87	(128.57)	212.30
Deferred tax liability			
On account of difference in depreciation as per the Income Tax Act, 1961 and depreciation and amortisation as per financial statements	(209.78)	18.30	(191.48)
Total (B)	(209.78)	18.30	(191.48)
Net deferred tax assets/ (liabilities) (A - B)	131.09	(110.27)	20.82

15 Long term loans and advances

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Capital Advances	38.66	113.19
Security Deposits	188.48	269.56
Loans and advances to related parties	-	452.00
Other loans and advances	277.00	105.53
Advance tax and tax deducted at source (Net of provisions INR 762.17 lakhs (Previous Year INR 658.84 lakhs))	487.75	108.13
	991.89	1,048.41

16 Other non current assets

	As at March 31, 2020	As at March 31, 2019
Term deposits with banks*	41.87	156.16
	41.87	156.16

*Deposit are lien marked against Bank Gurantee and letter of credit

	As at March 31, 2020	As at March 31, 2019
17 Inventories		
Consumables & Spare Parts (at cost)	69.35	8.18
	69.35	8.18
18 Trade receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	1,950.44	614.32
Others	6,165.84	6,432.41
	8,116.28	7,046.73
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	441.22	224.25
Others	-	-
Less: provision for doubtful receivable	(441.22)	(224.25)
	8,116.28	7,046.73
19 Cash and bank balances		
Cash and cash equivalent		
Bank balance in current account	203.26	112.73
Cash on hand	139.78	123.01
	343.04	235.74
Other bank balances		
Bank balance in term deposit account*	275.83	-
	618.87	235.74
*Deposit are lien marked against Bank Gurantee and letter of credit		
20 Short-term loans and advances		
Unsecured, Considered Good		
Prepaid expenses	98.00	53.97
Advance to Suppliers	731.22	490.36
Balance with government authorities	199.52	7.80
Other loans and advances	333.36	327.74
Loans and advances to related parties	-	59.81
Security Deposits	191.08	155.25
	1,553.18	1,094.93
Unsecured, Considered doubtful		
Advance to employees	111.32	105.52
Lorry trip advance	2,193.30	1,749.56
Less: Provision for doubtful advances	(400.21)	-
	1,904.41	1,855.08
	3,457.59	2,950.01
21 Other Current assets		
Unbilled revenue	734.80	447.69
Interest accrued on unsecured loan to parties	153.60	79.62
Other receivables	31.65	29.81
	920.05	557.12

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
22 Revenue from operations		
Sale of products		
Traded goods- High sea sale	3,334.51	3,569.34
Sale of Services		
Freight income		
From others	26,816.07	22,065.32
From transporters	384.27	4,144.44
Warehousing income	1,498.90	1,443.15
Other Operating Revenue		
Sub-Lease income	194.49	126.96
	32,228.24	31,349.21
23 Other income		
Interest income	93.58	100.50
Other receipts	15.56	2.30
Provisions written back to the extent no longer required	0.20	110.55
Profit on sale of property, plant and equipment	36.68	7.67
	146.02	221.02
24 Purchases of traded goods		
Purchase of traded goods	3,296.00	3,514.83
Purchase of consumables	214.73	139.78
	3,510.73	3,654.61
25 Changes in inventories		
Opening stock	8.18	16.55
Less: Closing stock	(69.35)	(8.18)
	(61.17)	8.37
26 Operating expenses		
Warehousing expenses	1,156.52	1,078.41
Transportation expenses	21,838.25	20,661.69
	22,994.77	21,740.10
27 Employee benefits expense		
Salaries, wages and bonus	1,140.17	1,009.86
Directors remuneration	132.00	132.00
Contribution to provident and other funds	70.59	55.45
Gratuity	30.14	5.04
Staff welfare expenses	36.03	29.66
	1,408.93	1,232.01

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

28 Finance costs

	Year ended March 31, 2020	Year ended March 31, 2019
Interest on cash credit facility	345.51	275.02
Interest on Truck loan and Car loan	381.93	295.01
Interest on late deposit of statutory dues	89.07	149.82
Other borrowing costs	151.58	117.56
	968.09	837.41

29 Other expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Rent expenses	392.62	356.04
Repair and maintenance- Others	242.04	357.93
Conveyance and travelling expenses	137.68	158.54
Legal and professional charges (Refer note 30)	115.57	76.11
Electricity and water charges	34.99	29.89
Bank charges	26.41	40.20
Business promotion	60.62	126.57
Office expenses	95.76	148.55
Postage and courier expenses	20.63	20.75
Printing and stationery expenses	31.85	19.78
Director sitting fees	6.70	2.20
Rates and taxes	6.72	9.01
Commission expenses	14.18	12.52
Donation	24.29	9.01
Festival expenses	34.30	15.10
Provision for employee advances	21.79	-
Provision for lorry advance	378.42	-
Provision for doubtful debts	216.97	224.25
Advances written off	-	169.11
Corporate social responsibility expenses (Refer note 39)	22.08	18.14
Miscellaneous expenses	79.48	127.02
	1,963.10	1,920.72

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**1(a) Corporate Information/Background**

AVG Logistics Limited ('the company') was incorporated on January 25, 2010 under the Companies Act, 1956. The main objects of the company are transportation of goods, warehousing and other incidental activities there to. The Company is also involved in trading business. The registered office of the company is situated in the state of New Delhi. The Company's equity shares got listed on April 11, 2018 on NSE-SME platform. The financial statements for the year ended March 31, 2020 were approved by the Board of Directors on September 4, 2020.

1(b) Summary of significant accounting policies**i. Basis of Preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), specified under section 133 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 normal operating cycle, and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of goods/ services and the time between the sale of goods/ rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

ii. Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii. Property, Plant and Equipment**Tangible assets**

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

iv. Depreciation on property, plant and equipment

Based on management’s evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses straight line method and depreciation is provided on pro-rata basis on the carrying amount of property, plant and equipment. The carrying amount is calculated after reducing 5% of the value of property, plant and equipment as residual value. The Company has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Particulars	(Useful life In years)
Computer	3
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Trucks	6

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/ discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be.

v. Amortization of Intangible assets

Amortization of intangible assets has been calculated on straight line basis at the following rates, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

Particulars	Useful life (In years)
Computer Software	
- ERP	3
- Other than ERP	3

Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/ discard from intangible assets is provided for upto the date of sale, deduction or discard of intangible assets as the case may be.

AVG Logistics Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2020**vi. Impairment of Assets**

In accordance with Accounting Standard (AS) 28 on 'Impairment of Assets', the carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

After Impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

vii. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

viii. Investments**Accounting treatment**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Classification in the financial statements

Investments that are realisable within the period of twelve months from the balance sheet date are classified as current investment. All other investments are classified as non-current investments.

ix. Revenue recognition

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Sales Tax, Value Added Tax and Goods and Service Tax.

Revenue from services

Revenue from services is recognised pro-rata over the period of contract (in case of 'Warehousing Income') and as and when the services are rendered (in case of 'Freight Income') and collectability is reasonably assured. Rendering of services is completed when the consignments/ shipments are delivered to its destination. Delivery is evidenced by 'Proof of Delivery' ('POD') received from the destination. The revenue is recognised net of Goods and service tax.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend Income

Dividend is recognised when the Company's right to receive dividend is established.

x. Retirement and other employee benefits**Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense in the Statement of Profit and Loss in the period in which the employee renders the relevant service.

Short term leaves- Encashable

The employees are entitled to leaves during each of the calendar year. These leaves cannot be carried forward but balance leaves as at year end are eligible for encashment. The Company provides for such employee benefits on the basis of leaves outstanding as at the Balance Sheet date

Long Term Employee Benefits:**Defined contribution plan**

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognised in the Standalone Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the Standalone Statement of Profit and Loss.

xi. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

AVG Logistics Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2020**xii. Inventories**

Stock of Spare Parts, Tyres and Oil is valued at cost. Cost comprises purchase prices, expenses incurred to bring inventory to its present location and related taxes net of tax credit, if any, available. Cost is determined using the first-in-first-out method.

xiii. Income taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

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.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

xiv. Leases**As a Lessee:**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term.

As a Lessor:

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income on an operating lease is recognized in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term. Costs are recognized as an expense in the Standalone Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Standalone Statement of Profit and Loss.

xv. Contingent Liability, Provisions and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

xvi. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xvii. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are shown as unallocable items.

xviii. Corporate Social Responsibility

As the Company is discharging its CSR obligation through making contribution to the CSR activities as specified in Schedule VII to the Act, it is treated as an expense and hence charged to the Standalone Statement of Profit and Loss.

xix. Material Events

Material events occurring after the balance sheet date are taken into cognizance.

AVG Logistics Limited
 Notes to the standalone financial statements for the year ended March 31, 2020
 (All amount in INR Lakhs, unless otherwise stated)

30 Payment to auditors (excluding taxes)

In capacity as auditor

- Statutory audit
- Limited review
- Reimbursement of expenses

Other certification

	Year ended March 31, 2020	Year ended March 31, 2019
	12.00	12.00
	6.00	5.00
	0.70	0.63
	-	-
	16.70	17.63

31 Prior Period Expense/ (Income)

- Legal & Professional charges
- Salaries, wages and bonus
- Repair & Maintenance
- Rent Expenses
- Sub-Lease income
- Miscellaneous expenses
- Interest Income
- Freight Income
- Miscellaneous income
- Interest on vehicle loans
- Interest on delayed payment of direct taxes
- Travelling Expenses
- Insurance Expenses
- Office Expenses
- Warehousing Expenses
- Business Promotion
- Warehousing Income
- Credit note issued against revenue

	Year ended March 31, 2020	Year ended March 31, 2019
	13.64	7.94
	1.90	12.08
	2.98	0.99
	14.86	79.56
	(10.26)	-
	-	66.69
	-	(3.61)
	-	(244.85)
	-	(3.57)
	-	15.67
	-	17.28
	-	0.72
	-	7.92
	-	1.12
	-	3.87
	-	4.15
	-	(27.86)
	-	143.00
	23.12	81.10

32 In accordance with the Accounting Standard (AS-18) on “Related Party Disclosures”, the disclosures are as follows:

A. Name of related parties and nature of relationship

Related parties with whom transactions have taken place during the year

Relationship

Name of related parties

(i) Joint venture

NDRAVG Business Park Private Limited

(ii) Enterprises over which the key management personnel have the significant influence

- Directors are partner of the firm
- Common Directors
- Director is partner of the Limited liability partnership
- Director is partner of the Partnership Firm
- Director has significant influence

- MA Enterprises
- PCG Logistics Private Limited
- NDR AVG Logistics LLP
- Maple Packaging and Logistics
- S V J Developers Private Limited (Till 01.09.2019)

(iii) Key management personnel (KMP)

- Managing Director
- Women Director
- Chief Financial Officer
- Chief Financial Officer
- Non-Executive Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director

- Sanjay Gupta
- Asha Gupta (Wife of Sanjay Gupta)
- Arun Kumar Goel (Till 12.11.2019)
- Gurpreet Singh Luthra (with effect from 13.11.2019)
- Shyam Sunder Soni
- Suresh Kumar Jain (Till 23.09.2019)
- Biswanath Shukla (Till 12.11.2019)
- Susheel Kumar Tyagi
- Pawan Kant (with effect from 05.11.2019)

(iv) Relative of Key management Person (KMP)

Son of Sanjay Gupta

Vinayak Gupta

AVG Logistics Limited
 Notes to the standalone financial statements for the year ended March 31, 2020
 (All amount in INR Lakhs, unless otherwise stated)

B. Transaction with related parties

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<u>Transportation expenses</u>		
Enterprises over which the key management personnel have the significant influence:		
MA Enterprises	4.18	6.69
<u>Miscellaneous income</u>		
Enterprises over which the key management personnel have the significant influence:		
MA Enterprises	-	0.60
<u>Transfer of investment from NDR AVG Logistics LLP to NDRAVG Business Park Private Limited</u>		
Joint venture		
NDRAVG Business Park Private Limited	-	153.50
<u>Investment in Joint Venture</u>		
Joint venture		
NDRAVG Business Park Private Limited	-	831.07
<u>Short-term loans and advances given</u>		
Joint venture		
NDRAVG Business Park Private Limited	1.50	59.81
<u>Payment received of loan and advances</u>		
Enterprises over which the key management personnel have the significant influence:		
S V J Developers Private Limited	175.00	41.00
Joint venture		
NDRAVG Business Park Private Limited	61.31	-
<u>Short Term Borrowings</u>		
Joint venture		
NDRAVG Business Park Private Limited	324.70	-
<u>Other payables</u>		
Joint venture		
NDRAVG Business Park Private Limited	178.68	-
<u>Interest Income</u>		
Enterprises over which the key management personnel have the significant influence:		
S V J Developers Private Limited (Till 01.09.2019)	22.38	53.23
<u>Freight Income</u>		
Enterprises over which the key management personnel have the significant influence:		
PCG Logistics Private Limited	147.96	70.05
<u>Directors' remuneration</u>		
Key management personnel (KMP):		
Sanjay Gupta	72.00	72.00
Asha Gupta	60.00	60.00
<u>Salaries and wages</u>		
Key management personnel and its relatives:		
Vinayak Gupta	48.00	48.00
Arun Kumar Goel (Till 12.11.2019)	14.88	38.25
Gurpreet Singh Luthra (with effect from 13.11.2019)	23.17	-
<u>Director sitting fees</u>		
Key management personnel (KMP):		
Shyam Sunder Soni	1.80	0.80
Suresh Kumar Jain (Till 23.09.2019)	0.60	0.40
Biswanath Shukla (Till 12.11.2019)	1.30	0.80
Susheel Kumar Tyagi	2.10	0.20
Pawan Kant (with effect from 05.11.2019)	0.90	-

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

C. Balance outstanding as at year end:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Other payable:		
Enterprises over which the key management personnel have the significant influence:		
NDR AVG Logistics LLP	6.25	7.25
Joint venture		
NDRAVG Business Park Private Limited	178.68	-
To Key management personnel (KMP) and its relatives:		
Sanjay Gupta	0.03	-
Asha Gupta	0.18	-
Vinayak Gupta	-	5.60
Arun Kumar Goel (Till 12.11.2019)	0.78	3.82
Gurpreet Singh Luthra (with effect from 13.11.2019)	4.77	-
Shyam Sunder Soni	-	0.36
Suresh Kumar Jain	-	-
Biswanath Shukla	-	0.36
Susheel Kumar Tyagi	0.18	0.18
Short Term Borrowings		
Joint venture		
NDRAVG Business Park Private Limited	324.70	-
Advance to employees		
To Key management personnel (KMP) and its relatives:		
Vinayak Gupta	7.58	-
Balance receivables		
From Enterprises over which the key management personnel have the significant influence:		
NDR AVG Logistics LLP - Investment	1.50	1.50
NDRAVG Business Park Private Limited - Investment	984.57	984.57
NDRAVG Business Park Private Limited - Loan receivable	-	59.81
MA Enterprises - Other receivable	-	-
Maple Packaging and Logistics	0.38	0.38
PCG Logistics Private Limited - Trade receivable	4.17	21.94
S V J Developers Private Limited - Loan receivable	277.00	452.00
S V J Developers Private Limited - Interest receivable	83.51	53.23
33 Earnings per share	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax attributable to equity shareholders - A	447.97	1,011.67
Weighted average number of equity shares outstanding during the year - B	10,298,000	10,145,198
Basic/ Diluted Earnings per share - (A/B)	4.35	9.97
Nominal value per share (INR)	10	10

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and dilutive EPS of the Company remains the same.

34 Leases

The Company has taken certain premises for office use of its employees and sub lease purposes under operating lease agreements for a non cancellable period up to 15 years. The total expense incurred under the operating lease agreements recognized as an expense in the Statement of Profit and Loss during the year is INR 392.62 lakhs (previous year INR 356.04 lakhs). Expected future minimum commitments for non cancellable period of leases together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise are as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Payable within one year	135.24	109.01
Payable between one and five years	737.92	543.93
Payable later than five years	1,243.59	1,560.53
Total	2,116.75	2,213.48

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

35 Contingent liabilities

	Year ended March 31, 2020	Year ended March 31, 2019
Claims against the Company not acknowledged as debt (Refer footnote i)	51.63	43.87
Interest and other charges on late payment of instalments (Refer footnote ii)	85.43	-
	137.06	43.87

Footnote i:

Authority before which it is pending	Nature of tax	Year ended March 31, 2020	Year ended March 31, 2019
Liability against pending civil cases (Refer Footnote i)	Civil Case	51.63	43.87
		51.63	43.87

(i) There are cases related to workman compensation and accidental compensation pending before the Labour Court filed by ex-employees of the Company. The quantum of liability cannot be ascertained and will be decided by the Labour Law Court in due course of time.

(ii) It represents interest and other late payment charges that may be levied by the Banks and Financial Institutions on delay in payment of equated monthly installments(EMI) which is subject to final negotiation and settlement with Banks and Financial Institutions.

36 Capital and other commitments

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Estimated amount of contracts remaining to be executed on capital account Net of advances of INR 23.23 lakhs and Capital work in progress of INR 1622.53 lakhs (Previous year net of advances of INR 53.64 lakhs and Capital work in progress of INR 656.91 lakhs)	449.49	859.47
Total capital commitments	449.49	859.47

37 The Company has in accordance with the Accounting Standard-15 (Revised) 'Employee Benefits' has calculated the various benefits provided to employees as under:**a. Defined contribution plans**

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employers contribution to provident fund	51.70	36.39
Employers contribution to employee state insurance and other fund	18.89	19.06
Total	70.59	55.45

b. Defined benefit plan

The present value obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving

A. Actuarial assumptions

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate (per annum)	5.66%	7.30%
Expected rate of increase in compensation levels (per annum)	6.65%	6.65%
Retirement age (years)	60.00	60.00
Mortality table	IALM (2012-14)	IALM (2006-08)
Withdrawal rate	23.00%	18.00%

The discount rate has been determined by reference to market yield at the Balance Sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B. Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening present value of obligation	58.41	53.92
Interest cost	4.26	4.01
Past service cost	-	-
Current service cost	17.90	14.35
Benefits paid	-	(0.55)
Actuarial loss/ (gain) on obligation	7.98	(13.32)
Closing present value of obligation	88.55	58.41

C. Expense recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	17.90	14.35
Interest cost	4.26	4.01
Past service cost	-	-
Expected return on plan assets	-	-
Net actuarial loss/ (gain) to be recognized	7.99	(13.32)
Expense recognised in the Statement of Profit and Loss	30.15	5.04

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2020

(All amount in INR Lakhs, unless otherwise stated)

D. Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	As at	As at
	31 March 2019	31 March 2018
Present value of defined benefit obligation	88.55	58.41
Fair value of plan assets	-	-
Net funded status	(88.55)	(58.41)
Recognised under:		
Short term provision (Refer note 10)	21.53	11.63
Long term provision (Refer note 6)	67.03	46.78

E. Net assets/ liability and actuarial experience gain/ (loss) for present benefit obligation ('PBO') and plan assets on gratuity

Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
PBO	88.55	58.41	53.93	-	-
Plan assets	-	-	-	-	-
Net assets/(liability)	(88.55)	(58.41)	(53.93)	-	-
Experience gain/ (loss) on PBO	(7.98)	13.32	-	-	-
Experience gain/ (loss) on plan assets	-	-	-	-	-

I. Employer's best estimate for contribution during next year

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity	24.11	19.57

38 Segment reporting**Primary segment**

The Company's business activity falls primarily into two segment i.e. Logistic business and trading. Though the primary business of the Company is into Logistics Segment and trading business is just to capture the available business in the market. Hence other than related sale, purchase, trade receivable and trade payable of trading the remaining balance sheet represent the logistic business only.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Segment Revenue		
Logistics business	28,893.73	27,779.87
Trading	3,334.51	3,569.34
Total Revenue from operations	32,228.24	31,349.21
B. Segment Results		
Expenses		
Logistics business	597.46	1,285.63
Trading	38.51	54.51
Total	635.97	1,340.14
Profit before tax	635.97	1,340.14
C. Segment Assets		
Logistics business	19,839.64	17,474.14
Trading	1,057.54	67.58
Total	20,897.18	17,541.72
D. Segment Liabilities		
Logistics business	12,347.10	10,615.61
Trading	1,176.00	-
Total	13,523.10	10,615.61

39 Corporate social responsibility (CSR)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent	21.20	16.20
Amount spent during the year (Refer footnote i)	22.08	18.14
Footnote i:		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Construction/acquisition of assets	11.75	14.34
Other revenue expenses	10.33	3.80
	22.08	18.14

The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

AVG Logistics Limited
 Notes to the standalone financial statements for the year ended March 31, 2020
 (All amount in INR Lakhs, unless otherwise stated)

40 Expenditure in foreign currency

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Legal & professional charges	-	0.61
	-	0.61

41 The Company has exercised the option permitted under Section 115BAA of the Income Tax Act'1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Deferred Tax Assets (net) as at 31 March 2019 and the estimates of tax expenses for the year ended 31 March 2020 have been remeasured. The resultant impact is being recognised over the current year and the remaining period of the financials year. Consequently, tax expense for the current half year ended 31 March 2020 includes a charge off of INR 2.82 Lakhs.

42 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

43 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company.

44 The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity. The Government of India has announced nation wide lockdown commencing from March 24, 2020 and till date, including locations wherein the Company maintains its warehouse and branches, subject to variations in different parts of the Country. The Company provides logistics services to customers majorly dealing in "essential commodity" and the major operations of the Company are dependent upon the demand from these customers. The Company does not perceive any mid to long term impact on the operations of the Company given that it continues to provide services to its existing customers and transportation restrictions are being liberalized by most the states in the country. However the trends for near future is not predictable at this stage. Reasonable estimates and judgment are made by considering the internal and external information further the uncertainties associated with the nature and duration of this pandemic, the actuals may differ from the estimates considered in these financial statements and the Company will continue to closely monitor any material changes to future economic conditions and respond accordingly.

45 As at balance sheet date there are no material overdue outstanding balance of borrowings taken from banks and financial institutions.

46 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

For **MSKA & Associates**
 Chartered Accountants
 Firm Registration Number: 105047W

Amit Mitra
 Partner
 Membership Number: 094518

Place : Gurugram
 Date: September 4, 2020

For and on behalf of the Board of Directors of
AVG LOGISTICS LIMITED
 CIN:L60200DL2010PLC198327

Sanjay Gupta
 Managing Director
 DIN: 00527801

Laveena Jain
 Company Secretary

Place: Delhi
 Date: September 4, 2020

Asha Gupta
 Director
 DIN: 02864795

Gurpreet Singh Luthra
 Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT**To the Members of AVG Logistics Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of AVG Logistics Limited (hereinafter referred to as the "Company") and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statement of two associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company and its associates as at March 31, 2020, consolidated profit and its consolidated cash flows for the year then ended.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the below matter in the Notes to the consolidated financial statements:

1. Note 44 which states that management the Company has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and financial position as at and for the year ended March 31, 2020 and have concluded that there is no impact which is required to be recognized in the consolidated financial statements. Accordingly, no adjustment has been made to the consolidated financial statements.

Our opinion is not modified in respect of above matter.

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the annual report but does not include the consolidated financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 ‘The Auditor’s responsibilities Relating to Other Information’.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company’s financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Revenue Recognition</p> <p>The Company recognises revenue when the control of goods is transferred to the customer. Revenue from services is recognised over the period of contract (in case of 'Warehousing Income') and as and when the services are rendered (in case of 'Freight Income') and collectability is reasonably assured. The Company and its</p>	<p>Our audit procedures in respect of this area include but are not limited to:</p> <ul style="list-style-type: none"> - Assessed the compliance of revenue recognition accounting policies, including those relating to discounts and rebates; - Performed substantive cut-off testing by selecting statistical samples of revenue transactions recorded at year-end and agreeing to the underlying documents, which included sales invoices and related documents as applicable on unorganised sector in which the Company

	external stakeholders focus on revenue as a key performance indicator. In view of the above we have identified revenue recognition as a key audit matter.	<p>operate;</p> <ul style="list-style-type: none"> - Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating revenue, and the associated unbilled revenue, unearned and deferred revenue balances; - Performed analytical procedures for reasonableness of incurred and estimated efforts. - Tested the appropriate evidence in case of cash transactions.
2	<p>Long outstanding trade receivables</p> <p>The Company has trade receivables outstanding for more than one year. Though, the Company is actively pursuing the collection of these balances, form allowance onwards for doubtful debts has been considered by the Management based on the facts and circumstances of each case. We have determined this matter to be key audit matter due to the significance of the amounts and judgement involve</p>	<p>Our audit procedures in respect of this are included:</p> <ol style="list-style-type: none"> 1. Obtained the listing and ageing of the trade receivables and traced their balances to the financial statements. 2. Performed the balance confirmation procedures and alternate procedures where we did not receive response to our confirmation requests. 3. Assessed the basis of management's judgement regarding allowance made against long outstanding balances. 4. Assessed the appropriateness of presentation/disclosure in the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the 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 controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material

misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associates are responsible for overseeing the financial reporting process of the Company and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

- a. The consolidated financial statements also include the Company's share of net profit of INR 70.57 Lakhs for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The matters described in Annexure B to this report under 'Material Weaknesses' paragraph, in our opinion, may have an adverse effect on the functioning of the Company.
- f. On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies none of the directors of the Company and its associate companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. With respect to the adequacy of internal financial controls with reference to financial statements of the Company and its associates and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associates– Refer Note 35 to the consolidated financial statements.
 - ii. The Company and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder. The provision of the aforesaid section is not applicable to the two associates, being private limited company and LLP.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 20094518AAAAEK9639

Place: Gurugram
Date: September 4, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and

performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 20094518AAAAEK9639

Place: Gurugram
Date: September 4, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of AVG Logistics Limited on the Financial Statements for the year ended March 31, 2020]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of AVG Logistics Limited (hereinafter referred to as "the Company") and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company and its associate companies, which are companies incorporated in India, 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") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal

financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Company and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 With reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020:

1. In case of freight income from transporters, the Company does not have an appropriate internal control system defining a process for customer acceptance, credit evaluation, establishing customer credit limit, determination of prices and other terms of the business, controls in place to ensure proof of delivery of services to collection process and reconciliation of receipts with invoices. Such control weakness could potentially result in the Company recognizing revenue without establishing reasonable certainty of ultimate collection.
2. In case of 'Lorry Trip Advance', the Company does not have a defined process in place to timely reconcile such advances with expense settlement. This may potentially result in recognition of expenses in the inappropriate period.
3. The Company did not have a robust policy for cash payments and cash receipts. In the absence of adequate cash management system (Treasury Process) in place, there is a possibility of making unauthorized payments and adjustments thereon.
4. The Company does not have formal period closure process to account for adjustments specifying the period end activities that are required to be carried out by a company, most importantly covering period-end cut offs, assessment of doubtful debts, reconciliation of key balances. Without a formal process of financial statement closure process ensuring accuracy and consistency in processing of the documents may be difficult.
5. The Company does not have in place documented policy for employee advances and subsequent settlement, this could potentially result in misappropriation of employee advances.
6. In case of advance to supplier the Company does not have an appropriate internal control system with regard to documentation of related purchase order, agreements, timely reconciliation with subsequent settlement etc. which could potentially result in inappropriate settlements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 standalone financial statements of the Company, and these material weaknesses does not affect our opinion on the standalone financial statements of the Company.

Other Matters

Based on the corresponding reports of the auditors of associate companies, one of which is a Company incorporated in India and another one is a Limited Liability Partnership formed in India, the reporting under section 143(3)(i) of the Act is not applicable. Hence, our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements does not include our opinion on adequacy and operating effectiveness of the internal financial controls of the associate entities.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 20094518AAAAEK9639

Place: Gurugram
Date: September 4, 2020

Particulars	Note	As at	As at
		31 March 2020	31 March 2019
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	1,029.80	1,029.80
Reserves and surplus	3	6,352.28	5,833.74
		7,382.08	6,863.54
Non-Current liabilities			
Long-term borrowings	4	2,777.85	2,899.43
Other long term liabilities	5	252.19	322.55
Long term provisions	6	67.03	46.78
		3,097.07	3,268.76
Current liabilities			
Short-term borrowings	7	3,678.71	3,093.47
Trade payables	8		
(i) Dues of micro enterprises and small enterprises		14.90	0.32
(ii) Dues of creditors other than micro enterprises and small enterprises		2,733.09	963.29
Other current liabilities	9	3,938.08	3,246.88
Short-term provisions	10	61.25	42.89
		10,426.03	7,346.85
		20,905.18	17,479.15
ASSETS			
Non-Current Assets			
Fixed assets			
Property, plant & equipments	12 (a)	3,923.01	3,740.93
Intangible assets	12 (b)	3.85	6.13
Capital work in progress	12 (a)	1,637.26	785.42
Non-current investments	13	994.07	923.50
Deferred tax assets	14	131.09	20.82
Long term loans and advances	15	991.89	1,048.41
Other non current assets	16	41.87	156.16
		7,723.04	6,681.37
Current Assets			
Inventories	17	69.35	8.18
Trade receivables	18	8,116.28	7,046.73
Cash and bank balances	19	618.87	235.74
Short-term loans and advances	20	3,457.59	2,950.01
Other current assets	21	920.05	557.12
		13,182.14	10,797.78
		20,905.18	17,479.15

Summary of significant accounting policies

1 (b)

The accompanying notes are an integral part of these consolidated financial statements.

For **MSKA & Associates**

Chartered Accountants

Firm Registration Number: 105047W

Amit Mitra

Partner

Membership Number: 094518

Place : Gurugram

Date: September 4, 2020

For and on behalf of the Board of Directors of

AVG LOGISTICS LIMITED

CIN:L60200DL2010PLC198327

Sanjay Gupta

Managing Director

DIN: 00527801

Asha Gupta

Director

DIN: 02864795

Laveena Jain

Company Secretary

Gurpreet Singh Luthra

Chief Financial Officer

Place: Delhi

Date: September 4, 2020

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	22	32,228.24	31,349.21
Other income	23	146.02	221.02
		32,374.26	31,570.23
Expenses			
Purchases of traded goods	24	3,510.73	3,654.61
Changes in inventories	25	(61.17)	8.37
Operating expenses	26	22,994.77	21,740.10
Employee benefits expense	27	1,408.93	1,232.01
Finance costs	28	968.09	837.41
Depreciation and amortization expense	12	930.72	755.77
Other expenses	29	1,963.10	1,920.72
		31,715.17	30,148.99
Profit before tax and prior period adjustments		659.09	1,421.24
Prior period expense (net)	31	23.12	81.10
Profit before tax		635.97	1,340.14
Tax expense:			
(1) Current tax		289.83	463.39
(2) Prior period tax		8.44	(8.76)
(3) Deferred tax		(110.27)	(126.16)
Profit after tax		447.97	1,011.67
Share of profit/ (loss) from associate	46	70.97	(62.96)
Share of profit from enterprise	46	(0.40)	0.39
Profit for the year		518.54	949.10
Earning per equity share (nominal Value of Share INR 10 (Previous year INR 10))			
(1) Basic	31	5.04	9.36
(2) Diluted	31	5.04	9.36

Summary of significant accounting policies

1 (b)

The accompanying notes are an integral part of these consolidated financial statements.

For **MSKA & Associates**

Chartered Accountants

Firm Registration Number: 105047W

For and on behalf of the Board of Directors of

AVG LOGISTICS LIMITED

CIN:L60200DL2010PLC198327

Amit Mitra

Partner

Membership Number: 094518

Sanjay Gupta

Managing Director

DIN: 00527801

Asha Gupta

Director

DIN: 02864795

Place : Gurugram

Date: September 4, 2020

Laveena Jain

Company Secretary

Gurpreet Singh Luthra

Chief Financial Officer

Place: Delhi

Date: September 4, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flow from operating activities		
Net profit before tax	635.97	1,340.14
Adjustments for:		
Depreciation and amortisation	930.72	755.77
Profit on sale of property, plant and equipment (net)	(36.68)	(7.67)
Finance costs	968.09	837.41
Interest income	(93.58)	(104.11)
Operating cash flows before working capital changes	2,404.52	2,821.54
Adjustments for changes in working capital :		
(Decrease)/ increase in trade payables	1,784.38	166.14
(Decrease)/ increase in provisions	38.61	32.63
(Decrease)/ increase in other liabilities	405.37	1,220.15
(Increase)/ Decrease in trade receivables	(1,069.55)	(2,351.66)
(Increase)/ Decrease in loans and advances	(480.69)	(1,498.18)
Decrease/ (Increase) in inventories	(61.17)	8.36
(Increase)/ Decrease in other current and non-current assets	(288.95)	(404.66)
Cash generated from operations	2,732.52	(5.68)
Taxes (paid)	(677.89)	(578.80)
Net cash flow (used)/ generated in operating activities	2,054.63	(584.48)
B. Cash flows from investing activities:		
Purchase and construction of Property, Plant & Equipments and intangible assets including movement in Capital Work-in Progress and Capital Advances	(1,974.30)	(2,920.15)
Purchase of non current investment	-	(831.07)
Proceeds from / (Investment) in deposits	(161.54)	62.43
Proceeds from sale of Property, Plant and Equipment	104.51	18.73
Loans given to related Parties	(1.00)	(59.81)
Loans repaid by related Parties	60.81	41.00
Loans given to other parties	-	(336.36)
Loans repaid by others parties	274.91	181.90
Interest received	19.60	24.49
Net cash flow used in investing activities	(1,677.01)	(3,818.84)
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital including securities premium	-	3,306.30
Share issue expenses	-	(351.78)
Proceeds from long-term borrowings	1,563.10	3,147.26
Repayment of long-term borrowings	(1,431.13)	(1,047.75)
Proceeds from short-term borrowings	585.24	123.96
Interest paid	(987.53)	(689.11)
Net cash flow generated/ (used) from financing activities	(270.32)	4,488.88
Net increase in cash and cash equivalents (A+B+C)	107.30	85.56
Cash and cash equivalents at beginning of year	235.74	150.18
Cash and cash equivalents at end of the year	343.04	235.74

Components of cash and cash equivalents (Refer note 19):

Cash on hand	139.78	123.01
Balances with banks:		
On current accounts	203.26	112.73
	<u>343.04</u>	<u>235.74</u>

Summary of significant accounting policies 1(b)

Footnotes :

1. The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 Cash Flow Statements, notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
2. The accompanying notes form an integral part of these consolidated financial statements.
3. Figures in bracket represent cash outflows.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Amit Mitra
Partner
Membership Number: 094518

Place : Gurugram
Date: September 4, 2020

For and on behalf of the Board of Directors of
AVG LOGISTICS LIMITED
CIN:L60200DL2010PLC198327

Sanjay Gupta
Managing Director
DIN: 00527801

Asha Gupta
Director
DIN: 02864795

Laveena Jain
Company Secretary

Gurpreet Singh Luthra
Chief Financial Officer

Place: Delhi
Date: September 4, 2020

2 Share capital

The Company has only one class of shares having a par value of INR 10 per share, referred to herein as equity share.

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of INR 10 each (previous year equity Shares of INR 10 each)	12,000,000	1,200.00	12,000,000	1,200.00
Issued, subscribed and fully paid up				
Equity Shares of INR 10 each (previous year equity Shares of INR 10 each)	10,298,000	1,029.80	10,298,000	1,029.80
	10,298,000	1,029.80	10,298,000	1,029.80

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	10,298,000.00	1,029.80	7,208,000	720.80
Add: Additional Shares issued during the year	-	-	3,090,000	309.00
Outstanding at the end of the year	10,298,000	1,029.80	10,298,000	1,029.80

b Details of shareholders holding more than 5% shares in the company

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Mr. Sanjay Gupta	1,232,500	11.97%	1,232,500	11.97%
Mrs. Asha Gupta	5,482,500	53.24%	5,482,500	53.24%
Sixth Sense India Opportunities II	1,803,600	17.51%	1,672,800	16.24%

The above information is furnished as per the shareholder register as on March 31, 2020

d Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. However, the Company has not distributed any dividend during the current year and previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back by the Company during the period.



3 Reserves and surplus

Share premium

Opening balance	2,659.52	14.00
Add: Premium on issue on account of Initial Public Offer (IPO)	-	2,997.30
Less: Share issue cost	-	(351.78)
Closing balance	2,659.52	2,659.52

Surplus in Statement of Profit and Loss

Opening balance	3,174.22	2,225.12
Add: Profit for the year	518.54	949.10
Closing balance	3,692.76	3,174.22
	6,352.28	5,833.74

4 Long-term borrowings

Secured loan

Term loan from bank including vehicle loan	2,032.39	2,504.68
Less : Disclosed as "Other current liabilities" (Refer note 9)	(584.83)	(457.30)

Term loan From NBFC

Less : Disclosed as "Other current liabilities" (Refer note 9)	2,266.39	1,662.13
	(936.10)	(810.08)
	2,777.85	2,899.43

Terms of loans

Sl No	Nature of Lender	Terms of Repayment and Rate of Interest (ROI) % (Per Annum)	Details of securities against borrowings	As at March 31, 2020	As at March 31, 2019
Term Loan from the bank					
1	Punjab National Bank	Repayable in 28 quarterly installments starting from April 1, 2020 with ROI 10.55%	Land and Buildings, machinery, electronic items, office furniture, fittings and furnishing with office equipments like computers, printers and vehicles etc. to be purchased from term loan and from own sources	957.15	444.10
Vehicle Loan					
2	IndusInd Bank Limited	Repayable in 46 to 47 monthly installments with ROI ranging from 9.95% to 11.10%.	Hypothecation of vehicle (Truck)	523.94	317.19
3	HDB financial Services Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 10.47% to 12.00%.	Hypothecation of vehicle (Truck)	91.69	158.85
4	Hinduja Leyland Finance Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 10.01% to 14.3%.	Hypothecation of vehicle (Truck)	493.70	747.81
5	ICICI Bank Limited	Repayable in monthly installments ranging from 34 to 47 months with ROI ranging from 9.4% to 11.5%.	Hypothecation of vehicle (Truck)	269.37	455.95
6	India Infoline Finance Limited	Repayable in monthly installments ranging from 23 to 35 months with ROI ranging from 12% to 13%.	Hypothecation of vehicle (Truck)	65.23	180.10
7	Kotak Mahindra Bank Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 9.35% to 12.63%.	Hypothecation of vehicle (Truck)	241.61	394.99
		Repayable in 36 monthly installments with ROI 9.99%.	Hypothecation of vehicle (Car)	-	0.22
8	Mahindra and Mahindra Finance	Repayable in 47 monthly installments with ROI 11.51%.	Hypothecation of vehicle (Truck)	157.13	200.00
9	Sundaram Finance Limited	Repayable in 47 monthly installments with ROI ranging from 9.96% and 10.96%.	Hypothecation of vehicle (Truck)	515.81	275.38
10	Tata Capital Financial Services Limited	Repayable in monthly installments ranging from 35 to 47 months with ROI ranging from 12.7% and 12.8%.	Hypothecation of vehicle (Truck)	2.07	14.67
11	Tata Motors Finance Limited	Repayable in monthly installments ranging from 34 to 47 months with ROI ranging from 8.88% and 11.24%.	Hypothecation of vehicle (Truck)	198.82	305.39

Sl No	Nature of Lender	Terms of Repayment and Rate of Interest (ROI) % (Per Annum)	Details of securities against borrowings	As at March 31, 2020	As at March 31, 2019
12	Volkswagen Finance Private Limited	Repayable in monthly installments ranging from 36 to 48 months with ROI ranging from 10% and 10.5%.	Hypothecation of vehicle (Truck)	684.07	542.37
		Repayable in 60 monthly installments with ROI 10.25%.	Hypothecation of vehicle (Car)	0.50	7.16
13	Punjab National Bank	Repayable in monthly installments ranging from 60 to 84 months with ROI ranging from 8.90% and 10%.	Hypothecation of vehicle (Car)	8.87	7.27
14	Union Bank of India	Repayable in 48 monthly installments with ROI 10.7%.	Hypothecation of vehicle (Car)	5.67	10.47
15	Yes Bank Limited	Repayable in monthly installments ranging from 48 to 60 months with ROI ranging from 9.14% and 10.25%.	Hypothecation of vehicle (Car)	22.86	27.91
16	HDFC Bank	Repayable in 36 monthly installments with ROI 11.25%.	Hypothecation of vehicle (Car)	2.93	-
17	Equitas Small Finance Bank	Repayable in 46 monthly installments with ROI 11%.	Hypothecation of vehicle (Truck)	57.36	76.98
Total				4,298.78	4,166.81

5 Other long term liabilities

Security deposits
 Deferred lease liability

	As at March 31, 2020	As at March 31, 2019
	64.43	170.24
	187.76	152.31
	252.19	322.55

6 Long term provisions

Provision for gratuity

	As at March 31, 2020	As at March 31, 2019
	67.03	46.78
	67.03	46.78

7 Short-term borrowings

Secured loan
 - From banks
Unsecured loan
 - From associate company

	As at March 31, 2020	As at March 31, 2019
	3,354.01	3,093.47
	324.70	-
	3,678.71	3,093.47

Terms of loans

Sl No	Nature of Lender	Terms of Repayment and Rate of Interest (ROI) % (Per Annum)	Details of securities against borrowings	As at March 31, 2020	As at March 31, 2019
Cash credit from banks					
1	Union Bank of India	Repayable on demand with ROI 12.35%	Hypothecation of Book Debts and stocks	-	46.29
2	Punjab National Bank	Repayable on demand with ROI 10.5%	First Parri passu charge on Book debts arising out of genuine trade transactions including advances to suppliers and other current assets shared with other consortium lender for fund based working capital (FBWC)	3,354.01	3,047.18
Total				3,354.01	3,093.47

8 Trade payables

Total outstanding dues of micro enterprises and small enterprises and,
Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at March 31, 2020	As at March 31, 2019
	14.90	0.32
	2,733.09	963.29
	2,747.99	963.61

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier as at March 31, 2010 are as follows:

Particulars

(a) Amount remaining unpaid to any supplier at the end of each accounting year:

- Principal amount

- The interest due thereon

(b) the amounts paid by the buyer during the year:

- Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006:

- Principal repaid to suppliers beyond the appointed day during each accounting year

(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

(d) the amount of interest accrued and remaining unpaid at the end of each accounting year

(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

	As at March 31, 2020	As at March 31, 2019
	14.90	0.32
	-	-
	-	-
	-	-
	-	-
	-	-

9 Other current liabilities

Current maturities of long term borrowings

Interest accrued and due

Interest accrued but not due

Security deposits

Payable in respect of purchase of property, plant and equipment

Other payables

Employees related payable

Advance from customers

Interest payable on statutory dues

Goods and service tax

Other statutory dues

	As at March 31, 2020	As at March 31, 2019
	1,520.93	1,267.38
	5.94	-
	16.11	41.49
	83.57	-
	139.97	158.61
	198.93	8.49
	180.77	155.490
	13.29	-
	188.41	106.80
	1,537.01	1,461.58
	53.15	47.04
	3,938.08	3,246.88

10 Short-term provisions

Provision for bonus

Provision for leave encashment

Provision for gratuity

	As at March 31, 2020	As at March 31, 2019
	33.73	27.58
	5.99	3.68
	21.53	11.63
	61.25	42.89

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2020

(All amounts in INR Lakhs, unless otherwise stated)

12 (a). Property, plant and equipment

Particular	Freehold land	Leasehold land	Vehicle	Trucks	Furniture & fixtures	Office equipment	Computers	Total	Capital work in progress
Gross block									
As at April 1, 2018	158.05	18.68	261.80	3,798.88	54.56	143.77	61.18	4,496.92	432.13
Addition	12.38	17.20	41.76	2,241.53	10.48	14.05	8.34	2,345.74	2,551.54
Deletion	-	-	16.69	39.36	-	-	-	56.05	2,198.25
As at March 31, 2019	170.43	35.88	286.87	6,001.05	65.04	157.82	69.52	6,786.61	785.42
Addition	21.63	-	16.00	1,101.95	5.38	27.93	5.46	1,178.35	1,811.22
Deletion	-	-	4.26	305.48	-	-	-	309.74	959.38
As at March 31, 2020	192.06	35.88	298.61	6,797.52	70.42	185.75	74.98	7,655.22	1,637.26
Accumulated depreciation									
As at April 1, 2018	-	0.62	118.23	2,084.48	16.17	73.01	43.57	2,336.08	
Charge for the year	-	1.09	30.39	687.63	5.24	22.61	7.63	754.59	
Disposals	-	-	12.95	32.04	-	-	-	44.99	
As at March 31, 2019	-	1.71	135.67	2,740.07	21.41	95.62	51.20	3,045.68	
Charge for the year	-	1.20	33.61	857.06	6.25	21.71	8.61	928.44	
Disposals	-	-	3.06	238.85	-	-	-	241.91	
As at March 31, 2020	-	2.91	166.22	3,358.28	27.66	117.33	59.81	3,732.21	
Net block									
As at March 31, 2019	170.43	34.17	151.20	3,260.98	43.63	62.20	18.32	3,740.93	
As at March 31, 2020	192.06	32.97	132.39	3,439.24	42.76	68.42	15.17	3,923.01	

AVG Logistics Limited
 Notes to the consolidated financial statements for the year ended March 31, 2020
 (All amounts in INR Lakhs, unless otherwise stated)

12 (b). Intangible assets

Particular	Software	Total
Gross block		
As at April 1, 2018	2.22	2.22
Addition	7.20	7.20
Deletion	-	-
As at March 31, 2019	9.42	9.42
Addition	-	-
Deletion	-	-
As at March 31, 2020	9.42	9.42
Accumulated depreciation		
As at April 31, 2018	2.11	2.11
Charge for the year	1.18	1.18
Disposals	-	-
As at March 31, 2019	3.29	3.29
Charge for the year	2.28	2.28
Disposals	-	-
As at March 31, 2020	5.57	5.57
Net block		
As at March 31, 2019	6.13	6.13
As at March 31, 2020	3.85	3.85



13 Non-current investments

Unquoted Investment

Equity Instrument
(9,845,697 Equity Shares of INR 10 each fully paid-up in NDRAVG Business Park Private Limited)
Less: Share in loss of associate

921.61	984.57
70.97	(62.96)
992.58	921.61

Investment in capital of Limited Liability Partnership

NDR AVG Logistics LLP
Less: Share in loss of associate

1.89	1.50
(0.40)	0.39
1.49	1.89

Aggregate amount of unquoted non-current investment

Aggregate provision made for diminution in value of investment

994.07	923.50
-	-

Footnote:

(i) The Company holds 35% (Previous year Nil) of total shares capital of NDRAVG Business Park Private Limited, a Joint Venture Company.

(ii) Investment in limited liability partnership firm

Investment in NDR AVG Logistics LLP

Name of the partners

N D R Ware Housing Pvt Ltd
AVG Logistics Ltd
N.Amrutesh Reddy
Sanjay Gupta

As at March 31, 2020	As at March 31, 2019
-------------------------	-------------------------

Share in profit (%)

60%	60%
30%	30%
6%	6%
4%	4%

Total capital of firm

5.00	5.00
------	------

14 Deferred tax Asset, net

Major components of deferred tax arising on account of timing differences along with their movement as at March 31, 2020 are:

	As at March 31, 2020	Charge/ (benefit) for the year	As at March 31, 2019
Deferred tax assets/ (liabilities)			
Provision for retirement benefits	23.80	(5.72)	18.08
Provision for lorry advance	95.24	(95.24)	-
Provision for employee advance	5.48	(5.48)	-
Provision for doubtful debts	111.05	(45.75)	65.30
Provision for Bonus	8.49	(0.46)	8.03
Provision for labour welfare fund	-	0.09	0.09
Deferred lease liability	47.26	(2.91)	44.35
Pre-operative expenses	49.55	26.90	76.45
Total (A)	340.87	(128.57)	212.30
Deferred tax liability			
On account of difference in depreciation as per the Income Tax Act, 1961 and depreciation and amortisation as per financial statements	(209.78)	18.30	(191.48)
Total (B)	(209.78)	18.30	(191.48)
Net deferred tax assets/ (liabilities) (A - B)	131.09	(110.27)	20.82

15 Long term loans and advances

Unsecured, Considered Good

Capital Advances
Security Deposits
Loans and advances to related parties
Other loans and advances
Advance tax and tax deducted at source
(Net of provisions INR 762.17 lakhs (Previous Year INR 658.84 lakhs))

As at March 31, 2020	As at March 31, 2019
-------------------------	-------------------------

38.66	113.19
188.48	269.56
-	452.00
277.00	105.53
487.75	108.13
991.89	1,048.41

16 Other non current assets

Term deposits with banks*

As at March 31, 2020	As at March 31, 2019
-------------------------	-------------------------

41.87	156.16
41.87	156.16

*Deposit are lien marked against Bank Gurantee and letter of credit



	As at March 31, 2020	As at March 31, 2019
17 Inventories		
Consumables & Spare Parts (at cost)	69.35	8.18
	69.35	8.18
18 Trade receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	1,950.44	614.32
Others	6,165.84	6,432.41
	8,116.28	7,046.73
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	441.22	224.25
Others	-	-
Less: provision for doubtful receivable	(441.22)	(224.25)
	8,116.28	7,046.73
19 Cash and bank balances		
Cash and cash equivalent		
Bank balance in current account	203.26	112.73
Cash on hand	139.78	123.01
	343.04	235.74
Other bank balances		
Bank balance in term deposit account*	275.83	-
	618.87	235.74
*Deposit are lien marked against Bank Gurantee and letter of credit		
20 Short-term loans and advances		
Unsecured, Considered Good		
Prepaid expenses	98.00	53.97
Advance to Suppliers	731.22	490.36
Balance with government authorities	199.52	7.80
Other loans and advances	333.36	327.74
Loans and advances to related parties	-	59.81
Security Deposits	191.08	155.25
	1,553.18	1,094.93
Unsecured, Considered doubtful		
Advance to employees	111.32	105.52
Lorry trip advance	2,193.30	1,749.56
Less: Provision for doubtful advances	(400.21)	-
	1,904.41	1,855.08
	3,457.59	2,950.01
21 Other Current assets		
Unbilled revenue	734.80	447.69
Interest accrued on unsecured loan to parties	153.60	79.62
Other receivables	31.65	29.81
	920.05	557.12

	Year ended March 31, 2020	Year ended March 31, 2019
22 Revenue from operations		
Sale of products		
Traded goods- High sea sale	3,334.51	3,569.34
Sale of Services		
Freight income		
From others	26,816.07	22,065.32
From transporters	384.27	4,144.44
Warehousing income	1,498.90	1,443.15
Other Operating Revenue		
Sub-Lease income	194.49	126.96
	32,228.24	31,349.21
23 Other income		
Interest income	93.58	100.50
Other receipts	15.56	2.30
Provisions written back to the extent no longer required	0.20	110.55
Profit on sale of property, plant and equipment	36.68	7.67
	146.02	221.02
24 Purchases of traded goods		
Purchase of traded goods	3,296.00	3,514.83
Purchase of consumables	214.73	139.78
	3,510.73	3,654.61
25 Changes in inventories		
Opening stock	8.18	16.55
Less: Closing stock	(69.35)	(8.18)
	(61.17)	8.37
26 Operating expenses		
Warehousing expenses	1,156.52	1,078.41
Transportation expenses	21,838.25	20,661.69
	22,994.77	21,740.10
27 Employee benefits expense		
Salaries, wages and bonus	1,140.17	1,009.86
Directors remuneration	132.00	132.00
Contribution to provident and other funds	70.59	55.45
Gratuity	30.14	5.04
Staff welfare expenses	36.03	29.66
	1,408.93	1,232.01

28 Finance costs

Interest on cash credit facility	
Interest on Truck loan and Car loan	
Interest on late deposit of statutory dues	
Other borrowing costs	

	Year ended March 31, 2020	Year ended March 31, 2019
	345.51	275.02
	381.93	295.01
	89.07	149.82
	151.58	117.56
	968.09	837.41

29 Other expenses

Rent expenses	
Repair and maintenance- Others	
Conveyance and travelling expenses	
Legal and professional charges (Refer note 30)	
Electricity and water charges	
Bank charges	
Business promotion	
Office expenses	
Postage and courier expenses	
Printing and stationery expenses	
Director sitting fees	
Rates and taxes	
Commission expenses	
Donation	
Festival expenses	
Provision for employee advances	
Provision for lorry advance	
Provision for doubtful debts	
Advances written off	
Corporate social responsibility expenses (Refer note 39)	
Miscellaneous expenses	

	Year ended March 31, 2020	Year ended March 31, 2019
	392.62	356.04
	242.04	357.93
	137.68	158.54
	115.57	76.11
	34.99	29.89
	26.41	40.20
	60.62	126.57
	95.76	148.55
	20.63	20.75
	31.85	19.78
	6.70	2.20
	6.72	9.01
	14.18	12.52
	24.29	9.01
	34.30	15.10
	21.79	-
	378.42	-
	216.97	224.25
	-	169.11
	22.08	18.14
	79.48	127.02
	1,963.10	1,920.72

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1(a) Corporate Information/Background

AVG Logistics Limited ('the company') was incorporated on January 25, 2010 under the Companies Act, 1956. The main objects of the company are transportation of goods, warehousing and other incidental activities there to. The Company is also involved in trading business. The registered office of the company is situated in the state of New Delhi. The Company's equity shares got listed on April 11, 2018 on NSE-SME platform. The financial statements for the year ended March 31, 2020 were approved by the Board of Directors on September 4, 2020.

1(b) Summary of significant accounting policies

i. Basis of Preparation

These consolidated financial statements (or 'financial statement') have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), specified under section 133 and other relevant provisions of the Companies Act, 2013. The financial statements relate to the Company and its share of profit/ loss in its associate company and an enterprise (associate company and enterprise collectively known as 'group entities').

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of goods/ services and the time between the sale of goods/ rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

ii. Basis of Consolidation

- a) Investments in group entities are accounted for using equity method in accordance with Accounting Standard (AS) 23- "Accounting for Investments in Associates in consolidated financial statements". Accordingly, the share of profit/ loss of each of the group entity (the loss being restricted to the cost of investment) has been added to/ deducted from the cost of investments.
- b) The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Following associate company and enterprise has been considered in the preparation Consolidated Financial Statements:

S. No.	Name of the Entity	Country of Incorporation	% Ownership interest	
			As at March 31, 2020	As at March 31, 2019
Associate				
1.	NDR AVG Business Park Private Limited	India	35%	35%
Other entity				
1	NDR AVG Logistics LLP	India	30%	30%

iii. **Use of estimates**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iv. **Property, Plant and Equipment**

Tangible assets

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

v. **Depreciation on property, plant and equipment**

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses straight line method and depreciation is provided on pro-rata basis on the carrying amount of property, plant and equipment. The carrying amount is calculated after reducing 5% of the value of property, plant and equipment as residual value. The company has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Particulars	Year ended March 31, 2020 (Useful life In years)
Computer	3
Furniture and fixtures	10

Office equipment	5
Vehicle	8
Trucks	6

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/ discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be.

vi. **Amortization of Intangible assets**

Amortization of intangible assets has been calculated on straight line basis at the following rates, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

Particulars	Useful life (In years)
Computer Software	
- ERP	3
- Other than ERP	3

Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/ discard from intangible assets is provided for upto the date of sale, deduction or discard of intangible assets as the case may be.

vii. **Impairment of Assets**

In accordance with Accounting Standard (AS) 28 on 'Impairment of Assets', the carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

After Impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

viii. **Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

ix. **Investments**

Accounting treatment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Classification in the financial statements

Investments that are realisable within the period of twelve months from the balance sheet date are classified as current investment. All other investments are classified as non-current investments.

x. **Revenue recognition**

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Sales Tax, Value Added Tax and Goods and Service Tax.

Revenue from services

Revenue from services is recognised pro-rata over the period of contract (in case of 'Warehousing Income') and as and when the services are rendered (in case of 'Freight Income') and collectability is reasonably assured. Rendering of services is completed when the consignments/ shipments are delivered to its destination. Delivery is evidenced by 'Proof of Delivery' ('POD') received from the destination. The revenue is recognised net of Goods and service tax.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend Income

Dividend is recognised when the Company's right to receive dividend is established.

xi. Retirement and other employee benefits**Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense in the Statement of Profit and Loss in the period in which the employee renders the relevant service.

Short term leaves- Encashable

The employees are entitled to leaves during each of the calendar year. These leaves cannot be carried forward but balance leaves as at year end are eligible for encashment. The Company provides for such employee benefits on the basis of leaves outstanding as at the Balance Sheet date.

Long Term Employee Benefits:**Defined contribution plan**

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognised in the Standalone Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the Standalone Statement of Profit and Loss.

xii. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

xiii. Inventories

Stock of Spare Parts, Tyres and Oil is valued at cost. Cost comprises purchase prices, expenses incurred to bring inventory to its present location and related taxes net of tax credit, if any, available. Cost is determined using the first-in-first-out method.

xiv. Income taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

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.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

xv. **Leases**

As a Lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term.

As a Lessor:

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income on an operating lease is recognized in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term. Costs are recognized as an expense in the Standalone Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Standalone Statement of Profit and Loss.

xvi. **Contingent Liability, Provisions and Contingent Asset**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

xvii. **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xviii. **Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are shown as unallocable items.

xix. **Corporate Social Responsibility**

As the Company is discharging its CSR obligation through making contribution to the CSR activities as specified in Schedule VII to the Act, it is treated as an expense and hence charged to the Standalone Statement of Profit and Loss.

xx. **Material Events**

Material events occurring after the balance sheet date are taken into cognizance.



30 Payment to auditors (excluding taxes)

In capacity as auditor

- Statutory audit
- Limited review
- Reimbursement of expenses

Other certification

	Year ended March 31, 2020	Year ended March 31, 2019
	12.00	12.00
	6.00	5.00
	0.70	0.63
	-	-
	16.70	17.63

31 Prior Period Expense/ (Income)

- Legal & Professional charges
- Salaries, wages and bonus
- Repair & Maintenance
- Rent Expenses
- Sub-Lease income
- Miscellaneous expenses
- Interest Income
- Freight Income
- Miscellaneous income
- Interest on vehicle loans
- Interest on delayed payment of direct taxes
- Travelling Expenses
- Insurance Expenses
- Office Expenses
- Warehousing Expenses
- Business Promotion
- Warehousing Income
- Credit note issued against revenue

	Year ended March 31, 2020	Year ended March 31, 2019
	13.64	7.94
	1.90	12.08
	2.98	0.99
	14.86	79.56
	(10.26)	-
	-	66.69
	-	(3.61)
	-	(244.85)
	-	(3.57)
	-	15.67
	-	17.28
	-	0.72
	-	7.92
	-	1.12
	-	3.87
	-	4.15
	-	(27.86)
	-	143.00
	23.12	81.10

32 In accordance with the Accounting Standard (AS-18) on "Related Party Disclosures", the disclosures are as follows:

A. Name of related parties and nature of relationship

Related parties with whom transactions have taken place during the year

Relationship	Name of related parties
(i) Joint venture	NDRAVG Business Park Private Limited
<u>(ii) Enterprises over which the key management personnel have the significant influence</u>	
Directors are partner of the firm	MA Enterprises
Common Directors	PCG Logistics Private Limited
Director is partner of the Limited liability partnership	NDR AVG Logistics LLP
Director is partner of the Partnership Firm	Maple Packaging and Logistics
Director has significant influence	S V J Developers Private Limited (Till 01.09.2019)
<u>(iii) Key management personnel (KMP)</u>	
Managing Director	Sanjay Gupta
Women Director	Asha Gupta (Wife of Sanjay Gupta)
Chief Financial Officer	Arun Kumar Goel (Till 12.11.2019)
Chief Financial Officer	Gurpreet Singh Luthra (with effect from 13.11.2019)
Non-Executive Director	Shyam Sunder Soni
Independent Director	Suresh Kumar Jain (Till 23.09.2019)
Independent Director	Biswanath Shukla (Till 12.11.2019)
Independent Director	Susheel Kumar Tyagi
Independent Director	Pawan Kant (with effect from 05.11.2019)
(iv) Relative of Key management Person (KMP)	
Son of Sanjay Gupta	Vinayak Gupta

B. Transaction with related parties

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<u>Transportation expenses</u>		
Enterprises over which the key management personnel have the significant influence:		
MA Enterprises	4.18	6.69
<u>Miscellaneous income</u>		
Enterprises over which the key management personnel have the significant influence:		
MA Enterprises	-	0.60
<u>Transfer of investment from NDR AVG Logistics LLP to NDRAVG Business Park Private Limited</u>		
Joint venture		
NDRAVG Business Park Private Limited	-	153.50
<u>Investment in Joint Venture</u>		
Joint venture		
NDRAVG Business Park Private Limited	-	831.07
<u>Short-term loans and advances given</u>		
Joint venture		
NDRAVG Business Park Private Limited	1.50	59.81
<u>Payment received of loan and advances</u>		
Enterprises over which the key management personnel have the significant influence:		
S V J Developers Private Limited	175.00	41.00
Joint venture		
NDRAVG Business Park Private Limited	61.31	-
<u>Short Term Borrowings</u>		
Joint venture		
NDRAVG Business Park Private Limited	324.70	-
<u>Other payables</u>		
Joint venture		
NDRAVG Business Park Private Limited	178.68	-
<u>Interest Income</u>		
Enterprises over which the key management personnel have the significant influence:		
S V J Developers Private Limited (Till 01.09.2019)	22.38	53.23
<u>Freight Income</u>		
Enterprises over which the key management personnel have the significant influence:		
PCG Logistics Private Limited	147.96	70.05
<u>Directors' remuneration</u>		
Key management personnel (KMP):		
Sanjay Gupta	72.00	72.00
Asha Gupta	60.00	60.00
<u>Salaries and wages</u>		
Key management personnel and its relatives:		
Vinayak Gupta	48.00	48.00
Arun Kumar Goel (Till 12.11.2019)	14.88	38.25
Gurpreet Singh Luthra (with effect from 13.11.2019)	23.17	-
<u>Director sitting fees</u>		
Key management personnel (KMP):		
Shyam Sunder Soni	1.80	0.80
Suresh Kumar Jain (Till 23.09.2019)	0.60	0.40
Biswanath Shukla (Till 12.11.2019)	1.30	0.80
Susheel Kumar Tyagi	2.10	0.20
Pawan Kant (with effect from 05.11.2019)	0.90	-

C. Balance outstanding as at year end:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Other payable:		
Enterprises over which the key management personnel have the significant influence:		
NDR AVG Logistics LLP	6.25	7.25
Joint venture		
NDRAVG Business Park Private Limited	178.68	-
To Key management personnel (KMP) and its relatives:		
Sanjay Gupta	0.03	-
Asha Gupta	0.18	-
Vinayak Gupta	-	5.60
Arun Kumar Goel (Till 12.11.2019)	0.78	3.82
Gurpreet Singh Luthra (with effect from 13.11.2019)	4.77	-
Shyam Sunder Soni	-	0.36
Suresh Kumar Jain	-	-
Biswanath Shukla	-	0.36
Susheel Kumar Tyagi	0.18	0.18
Short Term Borrowings		
Joint venture		
NDRAVG Business Park Private Limited	324.70	-
Advance to employees		
To Key management personnel (KMP) and its relatives:		
Vinayak Gupta	7.58	-
Balance receivables		
From Enterprises over which the key management personnel have the significant influence:		
NDR AVG Logistics LLP - Investment	1.50	1.50
NDRAVG Business Park Private Limited - Investment	984.57	984.57
NDRAVG Business Park Private Limited - Loan receivable	-	59.81
Maple Packaging and Logistics	0.38	0.38
PCG Logistics Private Limited - Trade receivable	4.17	21.94
S V J Developers Private Limited - Loan receivable	277.00	452.00
S V J Developers Private Limited - Interest receivable	83.51	53.23
33 Earnings per share	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax attributable to equity shareholders - A	518.54	949.10
Weighted average number of equity shares outstanding during the year - B	10,298,000	10,145,198
Basic/ Diluted Earnings per share - (A/B)	5.04	9.36
Nominal value per share (INR)	10	10

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and dilutive EPS of the Company remains the same.

34 Leases

The Company has taken certain premises for office use of its employees and sub lease purposes under operating lease agreements for a non cancellable period up to 15 years. The total expense incurred under the operating lease agreements recognized as an expense in the Statement of Profit and Loss during the year is INR 392.62 lakhs (previous year INR 356.04 lakhs). Expected future minimum commitments for non cancellable period of leases together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise are as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Payable within one year	135.24	109.01
Payable between one and five years	737.92	543.93
Payable later than five years	1,243.59	1,560.53
Total	2,116.75	2,213.48

35 Contingent liabilities

Claims against the Company not acknowledged as debt (Refer footnote i)
Interest and other charges on late payment of instalments (Refer footnote ii)

	Year ended March 31, 2020	Year ended March 31, 2019
	51.63	43.87
	85.43	-
	137.06	43.87

Footnote i:

Authority before which it is pending	Nature of tax	Year ended March 31, 2020	Year ended March 31, 2019
Liability against pending civil cases (Refer Footnote i)	Civil Case	51.63	43.87
		51.63	43.87

(i) There are cases related to workman compensation and accidental compensation pending before the Labour Court filed by ex-employees of the Company. The quantum of liability cannot be ascertained and will be decided by the Labour Law Court in due course of time.

(ii) It represents interest and other late payment charges that may be levied by the Banks and Financial Institutions on delay in payment of equated monthly installments(EMI) which is subject to final negotiation and settlement with Banks and Financial Institutions.

36 Capital and other commitments

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Estimated amount of contracts remaining to be executed on capital account Net of advances of INR 23.23 lakhs and Capital work in progress of INR 1622.53 lakhs (Previous year net of advances of INR 53.64 lakhs and Capital work in progress of INR 656.91 lakhs)	449.49	859.47
Total capital commitments	449.49	859.47

37 The Company has in accordance with the Accounting Standard-15 (Revised) 'Employee Benefits' has calculated the various benefits provided to employees as under:

a. Defined contribution plans

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employers contribution to provident fund	51.70	36.39
Employers contribution to employee state insurance and other fund	18.89	19.06
Total	70.59	55.45

b. Defined benefit plan

The present value obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving

A. Actuarial assumptions

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate (per annum)	5.66%	7.30%
Expected rate of increase in compensation levels (per annum)	6.65%	6.65%
Retirement age (years)	60.00	60.00
Mortality table	IALM (2012-14)	IALM (2006-08)
Withdrawal rate	23.00%	18.00%

The discount rate has been determined by reference to market yield at the Balance Sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B. Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening present value of obligation	58.41	53.92
Interest cost	4.26	4.01
Past service cost	-	-
Current service cost	17.90	14.35
Benefits paid	-	(0.55)
Actuarial loss/ (gain) on obligation	7.98	(13.32)
Closing present value of obligation	88.55	58.41

C. Expense recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	17.90	14.35
Interest cost	4.26	4.01
Past service cost	-	-
Expected return on plan assets	-	-
Net actuarial loss/(gain) to be recognized	7.99	(13.32)
Expense recognised in the Statement of Profit and Loss	30.15	5.04

D. Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	As at	As at
	31 March 2019	31 March 2018
Present value of defined benefit obligation	88.55	58.41
Fair value of plan assets	-	-
Net funded status	(88.55)	(58.41)
Recognised under:		
Short term provision (Refer note 10)	21.53	11.63
Long term provision (Refer note 6)	67.03	46.78

E. Net assets/ liability and actuarial experience gain/ (loss) for present benefit obligation ('PBO') and plan assets on gratuity

Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
PBO	88.55	58.41	53.93	-	-
Plan assets	-	-	-	-	-
Net assets/(liability)	(88.55)	(58.41)	(53.93)	-	-
Experience gain/(loss) on PBO	(7.98)	13.32	-	-	-
Experience gain/(loss) on plan assets	-	-	-	-	-

I. Employer's best estimate for contribution during next year

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity	24.11	19.57

38 Segment reporting**Primary segment**

The Company's business activity falls primarily into two segment i.e. Logistic business and trading. Though the primary business of the Company is into Logistics Segment and trading business is just to capture the available business in the market. Hence other than related sale, purchase, trade receivable and trade payable of trading the remaining balance sheet represent the logistic business only.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Segment Revenue		
Logistics business	28,893.73	27,779.87
Trading	3,334.51	3,569.34
Total Revenue from operations	32,228.24	31,349.21
B. Segment Results		
Expenses		
Logistics business	597.46	1,285.63
Trading	38.51	54.51
Total	635.97	1,340.14
Profit before tax	635.97	1,340.14
C. Segment Assets		
Logistics business	19,839.64	17,474.14
Trading	1,057.54	67.58
Total	20,897.18	17,541.72
D. Segment Liabilities		
Logistics business	12,347.10	10,615.61
Trading	1,176.00	-
Total	13,523.10	10,615.61

39 Corporate social responsibility (CSR)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent	21.20	16.20
Amount spent during the year (Refer footnote i)	22.08	18.14
Footnote i:		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Construction/acquisition of assets	11.75	14.34
Other revenue expenses	10.33	3.80
Total	22.08	18.14

The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

40 Expenditure in foreign currency

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
Legal & professional charges	-	0.61
	-	0.61

41 The Company has exercised the option permitted under Section 115BAA of the Income Tax Act'1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Deferred Tax Assets (net) as at 31 March 2019 and the estimates of tax expenses for the year ended 31 March 2020 have been remeasured. The resultant impact is being recognised over the current year and the remaining period of the financials year. Consequently, tax expense for the current half year ended 31 March 2020 includes a charge off of INR 2.82 Lakhs.

42 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

43 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company.

44 The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity. The Government of India has announced nation wide lockdown commencing from March 24, 2020 and till date, including locations wherein the Company maintains its warehouse and branches, subject to variations in different parts of the Country. The Company provides logistics services to customers majorly dealing in "essential commodity" and the major operations of the Company are dependent upon the demand from these customers. The Company does not perceive any mid to long term impact on the operations of the Company given that it continues to provide services to its existing customers and transportation restrictions are being liberalized by most the states in the country. However the trends for near future is not predictable at this stage. Reasonable estimates and judgment are made by considering the internal and external information further the uncertainties associated with the nature and duration of this pandemic, the actuals may differ from the estimates considered in these financial statements and the Company will continue to closely monitor any material changes to future economic conditions and respond accordingly.

45 a. The Company acquired the 35% share issued at par in NDRAVG Business Park Private Limited (Associate Company) on October 01, 2018, the date on which the Associate Company was incorporated. Hence their were no pre acquisition profits as on the date of aquisition. No goodwill/capital reserves was required to be created.

b. The Company acquired the 30% share in NDR AVG Logistics (a Limited Liability Partnership (LLP) Firm) on October 06, 2017, the date on which the LLP was formed. Hence their were no pre acquisition profits as on the date of aquisition. No goodwill/capital reserves was required to be created.

46 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act 2013:

Particulars	Name of the Entity Group			
	Parent	Associate	Associate	
	AVG Logistics Limited	Indian NDRAVG Business Park Private	Indian NDR AVG Logistics LLP	
For the year ended March 31, 2020:				
Net Assets, i.e. total assets minus total liabilities	As % of consolidated net assets	99.04%	0.96%	-0.01%
	Amount	7,311.51	70.97	-0.40
Share in profit and loss	As % of consolidated profit or loss	86.39%	13.69%	-0.08%
	Amount	447.97	70.97	-0.40
For the year ended March 31, 2019:				
Net Assets, i.e. total assets minus total liabilities	As % of consolidated net assets	100.91%	-0.92%	0.01%
	Amount	6,926.11	(62.96)	0.39
Share in profit and loss	As % of consolidated profit or loss	106.59%	-6.63%	0.04%
	Amount	1,011.67	(62.96)	0.39

47 As at balance sheet date there are no material overdue outstanding balance of borrowings taken from banks and financial institutions.

48 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

For **MSKA & Associates**
Chartered Accountants
Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
AVG LOGISTICS LIMITED
CIN:L60200DL2010PLC198327

Amit Mitra
Partner
Membership Number: 094518

Sanjay Gupta
Managing Director
DIN: 00527801

Asha Gupta
Director
DIN: 02864795

Place : Gurugram
Date: September 4, 2020

Laveena Jain
Company Secretary

Gurpreet Singh Luthra
Chief Financial Officer

Place: Delhi
Date: September 4, 2020

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 11th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S AVG LOGISTICS LIMITED IS SCHEDULED TO BE HELD ON WEDNESDAY, 30TH SEPTEMBER, 2020 AT 03:00 P.M AT THE JP HOTEL & RESORTS, 6B, PATPARGANJ I.P. EXTENSION, NH-24, BEHIND CNG PETROL PUMP, DELHI- 110092 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To consider and adopt the Annual Financial statements comprising of Audited Balance Sheet of the Company as at 31st March 2020 and the statement of profit and loss for the period Starting from 1st April 2019 to 31st March 2020 and Notes forming part of the Financial Statement for the year ended 31st March, 2020 together with the Director's Report and Auditor's Report thereon.
2. To appoint Mrs. Asha Gupta (DIN: 02864795), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Mr. Pawan Kant, (DIN: 08594895) as Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, and a recommendation has been received from the Nomination and Remuneration Committee under section 160 of the Companies Act, 2013 for the appointment of Mr. Pawan Kant, (DIN: 08594895) who was appointed by the Board of Directors as an Additional Director (Independent category) of the Company with effect from 05th November, 2019, and who holds office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of ensuing Annual General Meeting and who meets the criteria for independence as provided in Section 149(6) of the Act, along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, the consent of the shareholders be and is hereby accorded for his appointment as an Independent Director of the Company for a term of five years, whose period of office shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the consent of the Company be and is hereby conferred upon Board of Directors to do all acts, deeds including filing of requisite forms and take steps as may

be deemed necessary proper or expedient to give effect to this Resolution and matters incidental thereto, including to authorize any director to perform all such acts incidental thereto”.

Place: Delhi
Date: September 04, 2020

By Order of Board of Directors
For, AVG Logistics Limited

Sd/-

Laveena Jain
Company Secretary and Compliance Officer



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
2. Body Corporate member are requested to send a certified copy of the **Board Resolution** authorizing their representative to attend & vote at the meeting pursuant to provisions of section 113 of the Companies act, 2013.
3. All documents referred in the accompanying notice are available for inspection at the Registered Office of the Company during working days between 10.00 A.M. to 1.00 P.M. till the date of Annual General Meeting and also at the meeting.
4. Members are requested to intimate the change, if any, in their registered address immediately.
5. Members/Proxies should bring the **Attendance Slip** duly filled in and signed for attending the meeting.
6. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the Registered Office of the Company ten days in advance of the meeting so that the information may be made readily available.
7. The Register of Directors and their Shareholdings, Register of Contracts with related party and in which directors are interested and Register of Proxies would be available for inspection by the Members at the meeting.
8. Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 26th September, 2020 to Wednesday the 30th September, 2020 (both days inclusive).
9. A person entered in Register of Members on **25.09.2020** shall be eligible to exercise the right of a member to participate and vote at the general meeting and any change to an entry on the register after the Record Date shall be disregarded in determining the right of any person to attend and vote at such general meeting.
10. The non-resident Indian shareholders are requested to inform the company immediately about:
 - a. The change in the residential status on return to India for Permanent settlement.
 - b. The particulars of NRO bank account in India if not furnished Earlier.

11. The Company has made necessary arrangements for the members to hold their shares in dematerialized form. Members are also entitled to make nomination in respect of the shares held by them in dematerialized form with their respective DP's.
12. Additional Information, pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/ re-appointment at the Annual General Meeting, is furnished as annexure to the Notice. The directors have furnished consent /declaration for their appointment/ reappointment as required under the Companies Act, 2013 and the rules there under. **ATTACHED AS ANNEXURE- 1.**
13. Pursuant to the provisions of Sections 101 and 136 of the Act read with the Companies (Accounts) Rules, 2014 Annual Report for the Financial Year 2019-20, the notice of the 11TH Annual General Meeting along with Attendance Slip and Proxy form, are being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participant(s) and the Notice of AGM available on website of the company at www.avglogistics.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com.
14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts.
15. The Annual Report of the Company will be available on the Company's website, As per Section 136(1), the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.
16. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
17. In case of Joint holder's attending the meeting, the Joint-holder's who is higher in the order will be entitled to vote at the meeting.
18. A route map showing direction to reach the venue of the meeting is given at the end of this Notice.
19. E-Voting is not applicable on those companies who has less than 1000 shareholders and The listed Companies whose securities are listed on the SME platform as per the amendment in the Rule 20 of the companies Rules 2014.

FOR AVG LOGISTICS LIMITED

<p>Place: Delhi Date: September 04, 2020</p>	<p>By Order of Board of Directors For, AVG Logistics Limited</p> <p>Sd/-</p> <p>Laveena Jain</p> <p>Company Secretary and Compliance Officer</p>
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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**ITEM – 3**

Your Board of Directors wish to inform you that with a view to strengthen the Board and on the recommendation of Nomination and Remuneration Committee, Mr. Pawan Kant, (DIN: 08594895) was appointed as an Additional Director (Independent category) of the Company, and who shall hold office till the end of the ensuing Annual general meeting.

Further, since the company has been benefitted with the rich experience of Mr. Pawan Kant thus, pursuant to the provisions of Section 160 of the Act, the Nomination and Remuneration Committee further recommended for the appointment of Mr. Pawan Kant as a Director (Independent category).

Mr. Pawan Kant has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, Mr. Pawan Kant fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management.

Accordingly, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Pawan Kant as an Independent Director for a term of five consecutive years. But for the said purpose, your approval is solicited by passing Ordinary Resolution as set out at Item No. 3 of the notice of the AGM. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution. Mr. Pawan Kant is not related to any Director of the Company.

Annexure - 1

Details of Directors seeking Appointment / Re-appointment at the 11th Annual General Meeting pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

I.	Name of Director	Mrs. Asha Gupta (DIN: 02864795)	Mr.Pawan Kant (DIN: 08594895)
II.	Age	51 years	62 years
III.	Qualification	Art Graduate from Maharashi Dayanand University , Rohtak	Masters of Science (Chemistry) Institution: Chaudhary Charan Singh(Previously Meerut)University, Meerut (UP)
IV.	Brief resume including profile, experience and expertise in specific functional areas	Mrs. ASHA Gupta has wide experience of warehousing and cargo handling services. Because of her ability, experience, inter personnel skill and expert in marketing strategies she has always achieved a steep growth in transportation business. She has achieved an unexpected growth in warehousing business as well.	Mr.Pawan Kant having very rich experience of 34 (thirty four)years in of transportation & logistics business , He headed the position of director on the boards of State Warehousing Corporations of Haryana, Uttar Pradesh, Andhra Pradesh, Telangana State, Punjab and Meghalaya for about 10 (ten) years, further he was appointed as Advisor to the Managing Director of Central Railside Warehouse Company Limited, besides that Mr.kant is having good experience of all managerial functions involving the Operational activities and corporate activities including
V.	Shareholding in the Company as on March 31, 2020	53.23%	NIL
VI.	names of listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL

VII.	Relationship with other Directors of the Company	Wife of Mr. Sanjay Gupta , Managing Director of the Company	Not Applicable
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Place: Delhi
Date: September 04, 2020

By Order of Board of Directors
For, AVG Logistics Limited

Sd/-

Laveena Jain
Company Secretary and Compliance Officer

**ATTENDANCE SLIP
(TO BE PRESENTED AT THE ENTRANCE)**

**11th ANNUAL GENERAL MEETING ON WEDNESDAY, 30TH SEPTEMBER, 2020 AT 3:00 P.M.
At JP HOTEL & RESORTS, 6B, PATPARGANJ I.P. EXTENSION, NH-24, BEHIND CNG PETROL PUMP, DELHI-
110092**

Folio No..... DP ID Client ID No.

Name of the Member: Signature:

Name of the Proxy holder: Signature:

No. of Share(s) held

I hereby record my presence at the 11th Annual General Meeting of the Company held on Wednesday, 30th September, 2020 at

NOTE:

1. Only member/proxy holder can attend the meeting.
2. Member/proxy holder should bring his/her copy of the Annual Report for reference at the meeting.
3. In the case of joint holders, the signature of any one holder shall be sufficient, but the names of all joint holders should be stated.

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]

CIN: L60200DL2010PLC198327

Name of the Company: AVG LOGISTICS LIMITED

Registered office: OFFICE NO. 25, D.D.A MARKET, SAVITA VIHAR DELHI 110092

Name of the Member(s): Registered address: E-mail Id: Folio No/ Clint Id: DP ID:
--

I/ We being the member of _____, holding _____ shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature: _____, or failing him

2. Name:

Address:

E-mail Id:

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 11th Annual General Meeting of the Company, to be held on 30th September, 2020 At 3:00 P.M. at JP Hotel & Resorts, 6b, Patparganj I.P. Extension, Nh-24, Behind Cng Petrol Pump, Delhi- 110092 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO:

Res No.	DESCRIPTION	FOR	AGAINST
1.	To consider and adopt the Annual Financial statements comprising of Audited Balance Sheet of the Company as at 31 st March 2020 and the statement of profit and loss for the period Starting from 1 st April 2019 to 31 st March 2020 and Notes forming part of the Financial Statement for the year ended 31 st March, 2020 together with the Director's Report and Auditor's Report thereon.		
2.	To appoint Mrs. Asha Gupta (DIN: 02864795), who retires by rotation and being		

Notice



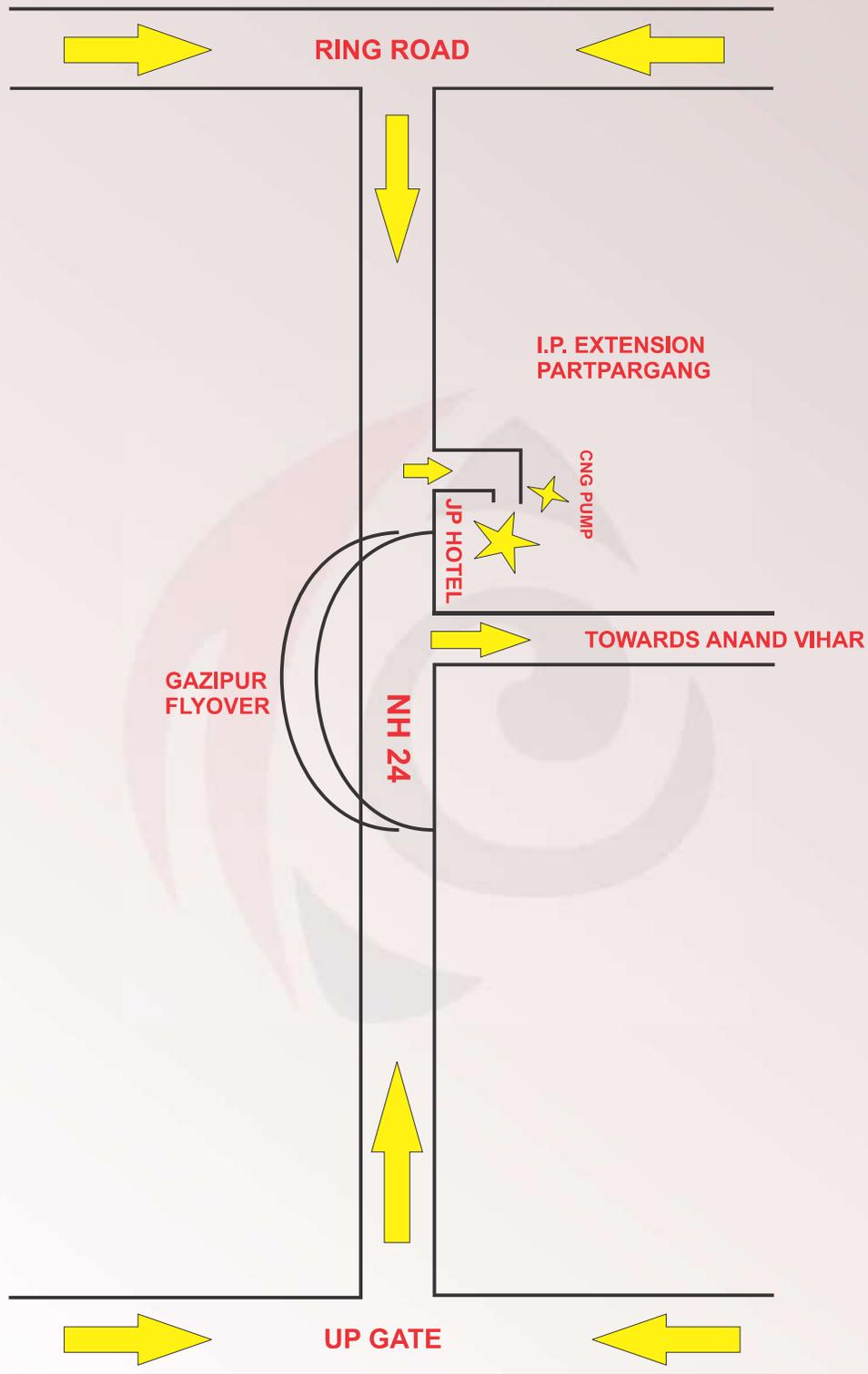
	eligible, offers herself for re-appointment.		
3.	Appointment of Mr. Pawan Kant, (DIN: 08594895) as Independent Director of the Company.		

Signed this _____ day of _____ 2020
Signature of Shareholder Signature of Proxy holder(s)

Affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company. Further, a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
3. In the case of joint holders, the signature of any one holder shall be sufficient, but the names of all joint holders should be stated.
4. Appointing a proxy does not prevent a member from attending in person if he so wishes





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A STEP AHEAD

CONTACT

Tel: 011-45674071

Toll Free No.: 1800-103-9665

Mob: +91-8527291062

www.avglogistics.com

ADDRESS

Head Office :102, First Floor , Jhilmil Metro Station Complex,
Above State Bank of India, Delhi-110095.

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