

AVG LOGISTICS LIMITED



ANNUAL REPORT 2020-21





AVG LOGISTICS[®]
A STEP AHEAD

OUR NETWORK



 Zonal Offices

 Other Branches

 International Network



Company Overview

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AVG adopted an innovative approach to serve its customers in these difficult times through its road, rail and coastal networks. AVG is expected to grow exponentially in the coming times.

Dear Shareholders,

I am thankful to all of the stakeholders at AVG Logistics Limited for maintaining their trust in us during the unprecedented times of the COVID-19 pandemic in the financial year FY 2020-2021. Needless to say, the logistics industry has showcased its full potential to support the nation by supplying the essential goods all across the country. We are extremely proud and delighted to have supplied PPE kits and FMCG goods to meet the desperate demand in the need of the hour.

I shall forever be grateful to our employees and front line workers for their tireless efforts, bankers & shareholders for believing in us and most importantly our customers for their faith in our abilities to serve them. With an integrated network of multimodal logistic solutions, we have successfully delivered our services to our clients by expanding our reach into rail logistics and cold chain solutions, and thus registering a growth of 12% in freight income on year-on-year basis and have closed the year with operational profit.

FMCG sector's increased demand during these times has fueled our growth, enabling us to further diversify and bring innovation in the supply chain process for our customers. Apart from the extensive network of road logistics, state-of-the-art warehouse facilities, and other value added services, we have significantly increased business share in rail logistics along with venturing into domestic coastal market to truly serve the purpose of multimodal logistic solutions. Our integrated multi modal solutions will not only be cost effective but also provide less carbon footprint for all our clients. For the cold chain solutions, we are catering to the FMCG, dairy, and F&V industry with the temperate range of -25 degrees to +25 degrees and further plan to penetrate deeper into the Pharma, E-commerce and QSR industries for both first & last mile deliveries.

Undoubtedly, the Government's efforts and policies to push the road, rail and waterways infrastructure development and the dedicated freight corridors, shall be highly beneficial and bring forth further opportunities for us to grow and achieve new heights. We always aim to improve lives by delivering growth and seamlessly connecting businesses with the market. Infusing technology and innovation at every level, we want to assure our customers with highest standards of safety, quality and compliance. With the time bound logistics as the standard for operations, we work hard to achieve 100% customer satisfaction thereby resulting in long-term relationships with our customers.

At last, I present my heartfelt condolences to all who have suffered the loss of their loved ones in these times of COVID-19 pandemic. I also request all to follow COVID-19 guidelines and get everyone vaccinated & stay strong.

Best regards

Sanjay Gupta

Chairman & Managing Director



Road



- ✦ FTL/LTL in Primary
- ✦ Secondary/Dedicated Solution
- ✦ Express Delivery

Rail

- ✦ Parcel Ven Train Services
- ✦ Export to Bangladesh
- ✦ Cargo Services



Coastal



- ✦ Container Services
- ✦ Door to Door Delivery
- ✦ Stevedores



Cold Storage and Refer Transport

- ✦ Primary & Secondary Movement
- ✦ Cold Storage
- ✦ Refer Rail



Warehouse

- ✦ Storage Space
- ✦ E-Commerce
- ✦ Manpower Handling



Multimodal Logistics & Value Added Services

- ✦ E2E Solutions
- ✦ Reverse Logistics
- ✦ Container/Forklifts/Cranes on Rent





BOARD OF DIRECTORS

CHAIRMAN

Mr. Pawan Kant

MANAGING DIRECTOR

Mr. Sanjay Gupta

WHOLE-TIME DIRECTOR

Mrs. Asha Gupta

INDEPENDENT DIRECTOR

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 (upto 12.10.2021)

CHIEF OPERATING OFFICER

Mr. Nagendra Kr. Sharma

AUDITORS

SECRETARIAL AUDITORS

NPS & 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
E-mail : delhi@linkintime.co.in
Website : www.linkintime.co.in
Contact Person : Mr. Shamwant Kushwah

REGISTERED OFFICE

OFFICE NO. 25,D.D.A MARKET, SAVITA
VIHAR, DELHI-110092
E-mail : praveen@avglogistics.com
Website: www.avglogistics.com
Tollfree : 1800 103 9665

CORPORATE OFFICE

102, 1ST Floor, Above State Bank Of
India, Jhilmil Metro Station Complex,
Delhi – 110095, INDIA
Tollfree : 1800 103 9665



Mr. Sanjay Gupta
Managing Director



Mrs. Asha Gupta
Whole Time Director



Mr. Pawan Kant
Independent Director



Mr. Susheel Kumar Tyagi
Independent Director



Mr. Shyam Sunder Soni
Director

Key Managerial Person



Mr. Gurpreet Singh
Chief Financial Officer



Ms. Laveena Jain (upto 12.10.2021)
Compliance Officer &
Company Secretary



Mr. Nagendra Kr. Sharma
Chief Operating Officer



Piyush Goyal Office
@PiyushGoyalOffc

From 🇮🇳 to 🇬🇧

Increasing its contribution to exports, Railways loaded food products from Delhi for transportation to Benapole in Bangladesh.

Railways 🚂 is at the forefront in helping Indian products reach new markets across the border!

#MoveItLikeRailways



www.avglogistics.com

अब बांग्लादेश से व्यापार करना हुआ आसान

एवीजी लॉजिस्टिक्स के माध्यम से बिना रुके बांग्लादेश के लिए पार्सल वैन ट्रेन हुई रवाना

सुदूर पूर्वीय एशियाई महाद्वीप पर फैला हुआ बांग्लादेश, भारत सरकार के विदेशी व्यापार को बढ़ावा देने के उद्देश्य से निर्यात क्षेत्र में नये दुर्गम क्षेत्रों के साथ पारसी वैन ट्रेन द्वारा व्यापार करने शुरू कर चुका है। एवीजी लॉजिस्टिक्स लिमिटेड के माध्यम से हरियाणा के जिला पानीपत से बिना रुके सीधे बांग्लादेश तक ट्रेन निर्माण प्लांट के ट्रेन को हरी झंडी देते हुए एक नई सुझाव की ओर बढ़े के लिए एक नए अवसर साबित होगा।



भारत सरकार के विदेशी व्यापार को बढ़ावा देने के उद्देश्य से निर्यात क्षेत्र में नये दुर्गम क्षेत्रों के साथ पारसी वैन ट्रेन द्वारा व्यापार करने शुरू कर चुका है। एवीजी लॉजिस्टिक्स लिमिटेड के माध्यम से हरियाणा के जिला पानीपत से बिना रुके सीधे बांग्लादेश तक ट्रेन निर्माण प्लांट के ट्रेन को हरी झंडी देते हुए एक नई सुझाव की ओर बढ़े के लिए एक नए अवसर साबित होगा।

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भारतीय रेलवे व एवीजी लॉजिस्टिक्स लिमिटेड के माध्यम से अंतरराष्ट्रीय व्यापार शुरू

■ सीधे बांग्लादेश तक निर्बाध पार्सल वैन ट्रेन को दिखाई हरी झंडी पानीपत (सब कर्ह/सनी कथुरिया)। भारत सरकार ने विदेशी व्यापार को बढ़ावा देने के उद्देश्य से निर्यात क्षेत्र में नये दुर्गम क्षेत्रों के साथ पारसी वैन ट्रेन द्वारा व्यापार करने शुरू कर चुका है। एवीजी लॉजिस्टिक्स लिमिटेड के माध्यम से हरियाणा के जिला पानीपत से बिना रुके सीधे बांग्लादेश तक पार्सल वैन ट्रेन को हरी झंडी देते हुए एक नई सुझाव की ओर बढ़े के लिए एक नए अवसर साबित होगा।



आज तक केवल सड़क मार्ग के माध्यम से ही बांग्लादेश से व्यापार होता रहा है। सड़क मार्ग से बांग्लादेश तक सामान को पहुंचाने में करीब बीस से पचीस दिन का समय लगता था। किन्तु अब भारत सरकार के अथक प्रयासों के कारण ही अब से भारतीय रेलवे द्वारा चलाई गयी पार्सल वैन ट्रेन के माध्यम से ये निर्यात कार्गु सिर्फ तीन दिन के भीतर ही संभव हो

सकेगा है। गुना ने बताया कि 8 अक्टूबर 2020 को भारत सरकार ने विदेशी व्यापार को बढ़ावा देने के उद्देश्य से निर्यात क्षेत्र में नये दुर्गम क्षेत्रों के साथ पारसी वैन ट्रेन द्वारा व्यापार करने शुरू कर चुका है। एवीजी लॉजिस्टिक्स लिमिटेड के माध्यम से हरियाणा के जिला पानीपत से बिना रुके सीधे बांग्लादेश तक ट्रेन निर्माण प्लांट के ट्रेन को हरी झंडी देते हुए एक नई सुझाव की ओर बढ़े के लिए एक नए अवसर साबित होगा।

सच कहें Sat, 10 October 2020
epaper.sachkahaon.com/c/55562756





AVG LOGISTICS
A STEP AHEAD






**We are making possibilities on every route ,
best logistics solution for you**



Ministry of Railways @RailMinIndia · Oct 25
 SWR's first Time-Tabled Parcel Cargo Express was flagged off from Yesvantpur in to Inland Container Depot, New Delhi.

Farmers, Traders will be benefitted from assured transit time & get access to new markets for their goods. It will strengthen the supply chain of the country.



17 83 474

South Western Railway @SWRRLY · Oct 24
 Helping producers of Bengaluru gain access to markets in North India: first Parcel Cargo Express Train flagged off from Yesvantpur to Inland Container Depot, Okhla, New Delhi. (1/3)
 #HungryForCargo
 @RailMinIndia
 @drmsbc
 @FKCCI_info
 @presidentfkcci
 @ficci_india
 @KarnatakaVarthe



1 3 18

South Western Railway @SWRRLY · Oct 24
 The train will run as a time-tabled #express train and 350 tonnes of cargo can be transported in this train at one go generating annual revenue of about Rs.30 Crores & Rs. 241 Crores over the contract period of 06 years. (2/3)

1 3 7

South Western Railway @SWRRLY · Oct 24
 Traders and transporters will benefit from assured transit time, and get connected with wider #markets for their goods. This initiative will strengthen #supplychain of the country (3/3)

THE HANS INDIA
SWR Bengaluru division flags off first PCET

HANS NEWS SERVICE
 BENGALURU

THE first Parcel Cargo Express Train (PCET) of the Bengaluru division was flagged off from Yesvantpur Railway Station. The inaugural special train will run between Yesvantpur (Bengaluru) to Okhla (New Delhi).

The South Western Railway, Bengaluru Division has leased out PCET to M/s AVG Logistics Ltd with a frequency of 2 round trips per week from Bangalore (Yesvantpur) to Delhi (Okhla) and back. The total value of the contract for 6 years is Rs. 241 crore. The PCET is a novel initiative by the Indian Railways to lease out an entire train on a roundtrip basis for loading parcels for a period of 6 years. An average PCET consists of 15 parcel vans and 1 break van. They can transport 353 tonnes of materials in a single trip. After a span of 6 months, the composition is increased

The South Western Railway, Bengaluru Division has leased out PCET to M/s AVG Logistics Ltd with a frequency of 2 round trips per week from Bangalore (Yesvantpur) to Delhi (Okhla) and back. The total value of the contract for 6 years is Rs. 241 crore.

to hold 20 parcel vans and 1 break van with a total extended capacity of 491 tonnes. In a month, at least two trips must be operated.

Being time-tabled trains with lesser transit time, customers will be able to transport parcels in bulk quantity. In the first 3 years, no escalation in freight will be allowed but 10 per cent of escalation will be permitted from the 4th year. The service is expected to attract transport from road traffic to railways.



24/10/2021 BENGALURU Pg 02





SANJAY GUPTA
Managing Director



VINAYAK GUPTA
Vice President



GURPREET SINGH
Chief Financial Officer



N.K. SHARMA
Chief Operating Officer



S G Mathur
Administrative Officer



AJAY KUMAR
HEAD OF Operations



SAURABH GREWAL
HEAD Fleet Management



G V Rao
Country Head-Marketing



PRAVEEN MAHLA
Sr. GM Finance & Accounts



BIJAY MISHRA
Business Head – Cold Division



Ashok Kr. Sharma
Head Rail - Operations



Dayanand Sharma
GM - Operations



Kuldeep Sharma
Business Head Coastal



DIRECTORS' REPORT

To,
The Members
AVG Logistics Limited

Dear Members,

The Directors of your Company are pleased to present the 12th Annual Report on the business and operations of the Company ("The Company" or "AVG") together with the audited Financial Statement for the financial Year ended March 31st, 2021.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

Key highlights of the financial results of the Company prepared as per the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 for the financial year ended 31st March 2021 are as under. Wherever applicable, the consolidated financial statement is also being presented in addition to the standalone financial statement of the Company.

Particulars	Amount in INR Lakhs			
	Standalone		Consolidated	
	31 st March, 2021	31 st March 2020	31 st March, 2021	31 st March 2020
Income				
Revenue from operations	33,339.24	32,228.24	33,339.24	32228.24
Other Income	118.81	146.02	118.81	146.02
	33,458.05	32,374.26	33,458.05	32374.26
Expenses				
Operating Expenses (Including the amount of Consumptions)	26635.9	25287.81	26635.9	25287.81
Employee Benefit Expense	1234.13	1408.93	1234.13	1408.93
Finance Costs	1220.99	968.09	1220.99	968.09
Depreciation and Amortization Expense	678.44	930.72	678.44	930.72



Other Expenses	4025.49	3119.62	4025.49	3119.62
	33,794.96	31,715.17	33,794.96	31715.17
Profit before exceptional and extraordinary items and tax	(336.91)	659.09	(336.91)	659.09
Prior period expense	(100.89)	23.12	(100.89)	23.12
Profit before tax	(236.02)	635.97	(236.02)	6354.97
Tax expense:				
(1) Current tax		289.83		289.83
(2) Adjustment for earlier years	(45.77)	8.44	(45.77)	8.44
(3) Deferred Tax	(13.91)	(110.27)	(13.91)	(110.27)
Profit for the year	(176.34)	447.97	(176.34)	447.97
Share of profit/ (loss) from associate			4.46	70.97
Share of profit from enterprise			(0.18)	(0.40)
	(176.34)	447.97	(172.06)	518.54
Earning per equity share (nominal value of Share Rs. 10 (P.Y. Rs 10))				
(1) Basic	(1.58)	4.35	(1.54)	5.04
(2) Diluted	(1.58)	4.35	(1.54)	5.04



OPERATIONAL AND FINANCIAL PERFORMANCE REVIEW

Your Directors are pleased to inform you that your Company with reliable and resilient business model has evolved from dealing single business division to integrated logistics platform, your company has introduced the two (2) New business divisions, first is the Cold Chain business division, company has segregated the reefer Division from the Fleet Operations and second is Costal Container business division, with the agile development and implementation approach your Company is able to provide high levels of service and reliability, and gain full visibility into product movements.

Your Company is constantly strengthening its capabilities and relationships with customers and wider stakeholder fraternity with a focus on long term value creation. It has Won Business from Indian Railways to Operate Goods train from Delhi to Bangalore and back twice a week and also entered new business agreement with giant clients like Jubilant Food works limited, Noida, C P Milk & Food Products Pvt. Limited, Lucknow, Parag Milk Foods Pvt. Limited, Pune for deploying reefer vehicles. Your Company has large customers/clients comprising of both corporate and SMEs, belonging to different industries provide us a discernible competitive advantage and accelerated growth opportunities.

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.

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. 31,577.56 lakhs in 2020-21 from Rs. 27,200.34 Lakhs in 2019-20 and the Profit before tax for the year decrease to Rs. **(236.02)** Lakhs during the year as compare to Rs. **635.97 lakhs in financial year 2019-20**.

In Continuation, your Directors wish to inform that COVID-19 pandemic is one of the most rapidly spreading pandemics the human race witnessed in the recent times and it has affected the global business of shipping, freight, maritime logistics, supply chain and trade. The Covid-19 pandemic and the subsequent lockdowns across economies also showcased the importance of the Logistics Industry. The Global Logistics Industry played a key role in helping reach the necessary goods and medical items to the farthest corner of the earth during these difficult times. Accordingly, your Directors assures that your Company will come out of the Pandemic Scenario of COVID-19, with its Operational Strategy as your Company spans across a wide range of service offerings such as by air, road, rail, and sea transport, as well as related services such as warehousing, handling and stevedoring. Your Directors are confident and expecting considerable growth in revenue as well as profitability by the end of March 2022.



1. COVID-19

The COVID-19 pandemic developed rapidly in the Financial Year 2020-21. The year under review had been affected by the pandemic COVID-19 which had raised new challenges to cater to logistic needs of our customers. Shortage of market vehicles, Safety of Drivers and Increase in Diesel prices posed other threats during these times. The nation wide lockdown from March,2020 disrupted the logistic operations and majorly affected the operations in the first quarter of the year under review. AVG however picked up the pace in operations in the New normal in the following period enabling it to achieve a growth of 12% in the freight income on year to year basis. During the gradual lockdown period we followed all the guidelines issued in this regard by the respective States and the Central Government and remained operational and after some initial hiccups, road transportation started operating as normal.

While during the lockdown period the logistics services were crucial for the distribution of many essential items, warehousing demand shot up for products where manufacturers were unable to take delivery of raw materials in the pipeline. Your Company functioned with energy and readiness to the challenges of Covid-19, balancing the peaks and drops in demand while protecting its staff and customers.

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 2020-21.

As per Standalone financials, the net movement in the reserves of the Company as at 31 March 2021 (FY 2020-2021) [Previous Year ended 31 March 2020 (FY 2019-2020)] is as follows:

Particulars	Amount in INR Lakhs	
	Financial Year 2020-21	Financial Year 2019-20
Securities Premium	3,161.79	2,659.52
Surplus in Statement of Profit and Loss	3508.42	3684.76
Total Reserves & Surplus	6670.21	6344.28

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.



3. **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.

4. **STATE OF THE COMPANY S AFFAIRS**

a. **Segment-wise position of business and its operations**

The Company's business activity falls in primarily into one segment only i.e. Logistic business. The Company operates mainly in Transportation, warehousing business and other value added services. Hence, it has only one reportable segment and separate disclosures are not required.

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 2020-2021 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 3151.74 Lakhs in Tangible assets.

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

During the Year under review no such transaction occurred.

5. **CHANGE IN THE NATURE OF BUSINESS**

The Company continued to carry Business of Transportation, Warehousing and other value added services, 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. However, the company has introduced the two (2) New business divisions, first is the Cold Chain business division, company has segregated the reefer Division from the Fleet Operations and second is Costal Container business division.



6. **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 were no material changes and commitments which affect the financial position of the Company.

7. **DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE BOARD'S REPORT**

During the Financial Year 2020-2021 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.

8. **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 on March 31, 2021, the Authorized Share Capital of the Company is INR 1,200.00 Lakhs divided into 120 Lakhs equity shares of INR 10 each. However during the Year under review 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 approved the Issuance of 14, 77,271 Equity Shares of the Company by way of Preferential Basis to Specified Non-Promoter entities.

The Issued, Subscribed and Paid-up Share Capital of the Company has increased to INR11,77,52,710.

The equity shares of the Company are listed on emerged platform of National Stock Exchange of India (NSE)

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 11,77,52,710 during the financial year under review.

The issued, subscribed and paid-up Capital of the Company stood at INR 11,77,52,710 (Rupees Eleven Crore Seventy Seven Lakh Fifty Two Thousand Seven Hundred Ten only) divided into 1,17,75,271 Equity Shares of face value of Rs.10 each as on 31st March 2021.

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.

9. CREDIT RATING OF SECURITIES

During the Financial Year 2020-2021 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.

10. 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 2020-2021 ended 31st March 2021.



11. MANAGEMENT

I. Directors and Key Managerial Personnel

The Company has a professional Board with an optimum combination of executive and non-executive Directors who bring to the table the right mix of knowledge, skills and expertise. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of stakeholders.

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. and consent of the members has been taken at the Annual General Meeting held on 30.09.2020 for appointing him as Director of the company.
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. She has subsequently resigned on 12.10.2021.
8. **Mr. Nagendra Kumar Sharma** was appointed as Chief Operating Officer (COO) at the Board Meeting held on 14.06.2021.

None of the Directors of the Company are disqualified under Section 164 of the Act.



II. Change in Directorship

As per section 152(6)(a) Mr. Sanjay Gupta, Managing Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his appointment for the approval of the members of the Company in the ensuing Annual General Meeting.

During the Financial Year 2020-21, there were no changes in the key managerial personnel of the Company except Mr. Nagendra Kumar Sharma has been appointed as COO (Chief Operating Officer) by the Board of Directors on 14.06.2021 on the recommendation of nomination and remuneration committee. However Ms Laveena Jain, Company Secretary & Compliance Officer of the company has resigned on 12.10.2021.

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

During the Year under review, all Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. In the opinion of the Board of Directors, all the Independent Directors including those who have been appointed/ re-appointed, if any, during the Financial Year 2020-21, have relevant integrity, skills, expertise, experience and proficiency.

IV. Board Meetings

During the Financial Year 2020-2021, the Board met 6 times during the financial year 2020-21 i.e., 16th June, 2020, 12th August 2020, 29th August 2020, 4th September 2020, 12th October 2020, 13th January, 2020. The intervening gap between Board Meetings was within the period prescribed under the provisions of Section 173 of the Act and SEBI Listing Regulations.

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, 5 meetings of the Audit Committee have been conducted during the Financial Year 20-21 i.e., 16th June, 2020, 12th August 2020, 4th September 2020, 12th October 2020, 13th January, 2020.



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, 1 Meeting of the Stakeholder relationship committee has been conducted during the Financial Year 20-21 i.e., 13th January 2021.

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, 2 meetings of the Nomination & Remuneration committee have been conducted during the financial year 20-21 i.e., 04th September 2020, 19th February, 2021.

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

Company's CSR Policy is established by the Board of Directors with the recommendation of the CSR Committee. 1 Meeting of the Corporate Social Responsibility committee has been conducted during the Financial Year 20-21 i.e., 13th January 2021.

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 02.09.2019.7 Meetings of the Operational Committee has been conducted during the financial year 20-21i.e., 06.05.2020, 15.07.2020, 25.08.2020, 13.10.2020, 13.11.2020, 22.12.2020, 19.02.2021.

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. The Company has in place a policy on Nomination & Remuneration of Directors, Key Managerial and Senior Management Personnel which is framed with the object of attracting, retaining and motivating talent which is required to run the Company successfully. It primarily lays down a framework in relation to remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management Personnel as well as provide guidance to the Board of Directors (Board) and Nomination & Remuneration Committee (NRC) in relation to appointment/ removal to the said positions, which has been approved by the Board of Directors.

VII. Board Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board of Directors has carried out the annual performance evaluation of its own performance, Committees of the Board and Individual Directors. The performance of the Board was evaluated by the Board itself after seeking the inputs from all the directors on the basis of the criteria such as structure and composition of Board Culture, effectiveness of Board processes, functioning, execution and performance of specific duties, obligations and governance etc.

The performance of Committees was evaluated by the Board after seeking inputs from respective committee members on the basis of the criteria such as composition of committees, effectiveness of committee meetings, and quality of recommendation to the Board, etc. The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role. In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The performance evaluation of the Independent Directors was carried out by the entire Board. All the Directors expressed their satisfaction with the evaluation process.



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	23.16:1
2.	Asha Gupta	Whole Time Director	19.31

B. Persons employed throughout the Financial Year ended 31 March, 2021, 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-A**. Further, the total strength of the employees as on 31st March 2021 was 408.

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, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures if any;
- b) 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, 2021 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 been 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.

12. 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 - B**, 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 2020-2021 under review none of the Companies have become or ceased to be subsidiaries, associates and joint ventures.

13. DETAILS OF DEPOSITS

During the Financial Year 2020-2021 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.

14. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has 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 disclosed in the Financial Statements.

15. 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 Arms 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-C** is annexed to this report.

16. DETAILS OF CSR POLICY AND INITIATIVE TAKEN DURING THE FINANCIAL YEAR 2020-21

Company's CSR Policy is established by the Board of Directors with the recommendation of the CSR Committee. Corporate social responsibility (CSR), for AVG, goes beyond charity and volunteering. CSR is an integral part of our Company culture, rooted in our values as an organization. AVG is committed to make efforts for the nation's social, economic, and environmental good. Objective of the CSR Policy is to make CSR a key business process for the sustainable development of whole communities, while conducting insightful engagement with our stakeholders. We aim to actively contribute to the holistic development of underprivileged children, specifically. The CSR policy lays down the principles/process on identification, selection, implementation of CSR activities & programmes keeping in mind the Company's CSR vision. It also provides the framework to monitor & evaluate the CSR activities & programmes in accordance with the provisions of the Act. Further brief outline on the initiatives undertaken by the Company on CSR activities during the financial year 2020-21, is enclosed herewith as **Annexure- D**. Other details regarding Company's CSR Policy is available on the website of the Company at http://www.avglogistics.com/upload/document/document_572731300.pdf

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

A. CONSERVATION OF ENERGY

- (i) The steps 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 steps 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 equipment s;
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;
Not applicable in view of the nature of activities carried on by the Company.



- (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

18. 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 minims 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 the Board of Directors has adopted a Risk Management Policy. Under the Policy, regular and active monitoring of business activities is undertaken for identification, assessment and mitigation of potential internal and external risks. The Company's Risk Management Policy is available at a link http://www.avglogistics.com/upload/document/document_2103954823.pdf

19. 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.



20. 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.

21. 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 Section 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 27th October, 2021, M/s AASM & Co. was Re-appointed as Internal Auditors of the company for the Financial Year 2021-22.

c) Secretarial Auditor

Pursuant to 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 M/s NPS & Associates, practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2020- 2021 in the board meeting held on 12th October, 2021.

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.

22. SECRETARIAL AUDIT REPORT

Pursuant to 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 M/s NPS & Associates, practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2020- 2021. The Secretarial Audit report in Form MR-3 is attached as **Annexure-E** 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 31st March, 2021 by 47 days as such NSE levied a penalty of Rs. 2,53,800 .

23. EXPLANATIONS IN RESPONSE TO AUDITORS QUALIFICATIONS

With regard to the Statutory Audit Report for the Financial Year 2020-21, 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.

BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT:

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s NPS & Associates, practicing Company Secretaries, in his Secretarial Audit Report except certain compliances complied with by paying additional fees or penalty and it was explained to the Secretarial auditor that the company has filed all the requisite penalty with the Stock exchange.

24. 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.

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

During the financial year 2020-2021 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.

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

During the financial year 2020-2021 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.

27. Annual Return

Extract of Annual Return in Form MGT-9 containing details as on the Financial Year ended March 31, 2021 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-F** which forms part of this report.

28. 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 2020-2021. 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 will be made 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.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year 2020-21, 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-G** 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.

30. 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.



31. 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

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 be help full for the board policy of the company is available at a link http://www.avglogistics.com/upload/document/document_336983809.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

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



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

32. PREVENTION OF SEXUAL HARASSMENT 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. 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 complaints filed during the Financial Year	NIL
Number of cases pending as on the end of the Financial Year	NIL

33. 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
DIN: 00527801**

**Place: NEW DELHI
Date: 27.10.2021**



Annexure – A

Details of Top Ten Employees (in terms of Remuneration).

SNO.	NAME OF THE EMPLOYEE	DESIGNATION
1	VINAYAK GUPTA	VP- OPERATIONS
2	GURPREET SINGH	CHIEF FINANCE OFFICER
3	KULDEEP SHARMA	VP- MARKETING & OPERATIONS
4	BIJAY NARAYAN MISHRA	BUSINESS HEAD-COLD CHAIN
5	GV RAO	COUNTRY HEAD-ROAD TRANSPORT
6	PRAVEEN KUMAR	SENIOR GENERAL MANAGER-FINANCE
7	ASHOK KUMAR SHARMA	TRAIN MOVEMENT- HEAD
8	ANJALI GUPTA	AVP-FINANCE
9	BASANT NAYAK	HEAD-EXPRESS CARGO DIVISION
10	AJAY KUMAR	REGIONAL MANAGER-NORTH



Annexure – B

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 N/A

(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, 2021
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.	99703748.9
6. Loss for the year	
i. Considered in Consolidation	445859.05
ii. Not Considered in Consolidation	828023.95

- 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

Asha Gupta

Managing Director

Director

DIN: 00527801

DIN: 02864795



ANNEXURE-C

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 Arms length basis.

(inlakhs)

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M.A. Enterprises Relationship: A firm, in which Mrs. Asha Gupta, Director and Mr. Sanjay Gupta,



		Managing Director are partners.
	Nature of contracts/arrangements/transaction	Leasing of property
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	Transportation expense paid during the year - 3,92,000
	Date of approval by the Board	Not Required
	Amount paid as advances, if any	
2.	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	
	Salient terms of the contracts or arrangements or transaction including the value, if any	Freight Income during year – 31,77,000
	Date of approval by the Board	Not Required
	Amount paid as advances, if any	

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA
CHAIRMAN
DIN: 00527801

Date: 27.10.2021
Place: New Delhi



ANNEXURE- D

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 below link 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 108,969,901.

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 21,15,000

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the Financial Year – INR 21,15,000



b) Amount Spent – INR 21,87,000

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)	Amount spent on project or program	Amount spent Direct or through implementing agency
1.	Contribution to Shri Krishna Gaushala	Animal welfare	IMPREST - KUNDALI	1,97,400	84,200	Direct
2.	Eradicating hunger, poverty and malnutrition	Socio-Economic Development	ISKON Kolkata	21,000	21,000	Direct
3.	Setting up homes and hostels for women and orphans, setting up old age homes and measures for reducing inequalities faced by socially and economically backward groups	Socio-Economic Development	Norang Lal Man Bhawti Charitable Trust Delhi	5,00,000	5,00,000	Direct



4.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Socio-Economic Development	Shri Subha Siddhi Vinayaka Mandir Society	50000	50000	Direct
5.	promoting education, employment enhancing vocation skills especially among children, and the differently abled and livelihood enhancement projects	Socio-Economic Development	National Blind Youth Association	6000	6000	Direct
6.	Contribution to SRI GOPAL GOSHALA	Animal welfare	Gopal Goshala	101000	Direct	
7.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Socio-Economic Development	Donation to Anath Ashram approve by Mr. Sanjay Gupta	40604	40604	Direct
8.	Protection of national heritage, art and culture including	Socio-Economic Development	All Assam Minorities Student's Union Guwahati	3500	3500	Direct
9.	Promoting health care including preventive health care	Medical	Satnam And Company For Medical Exp. Agt. Invoice No.193/11.	44520	44520	Direct



			05.2020(V eena Agencies)			
10.	Promoting health care including preventinve health care	Medical	Chhabra Healthcare To Medicines Purchased Towards Welfare Purpose As Suggested a/Ano.7100	25912	25912	Ditrect
11.	promoting health care including preventinve health care	Medical	Satnam & Co Bill No.14/554 Towards Welfare Purpose As Suggested a/Ino.462	24318	24318	Direct
12.	promoting education, employment enhancing vocation skills especially among children, and the differently abled and livelihood enhancement projects.	Socio-Economic Developme nt	Bharat Blind School For Charity Up Border	500	500	Direct
13.	Eradicating hunger, poverty and malnutrition, promot ing health care including preventive health care	Medical	Apollo Pharmacy Donate Medician To Ahikhetram	13230	13230	Direct



			Anathashar am			
14.	Promoting health care including preventinve health care	Medical	Manisha Medical Center(As Per Mr. Ankit Ji) Anand Oharma	15173	15173	Direct
15.	Ensuring protection of animal welfare	Animal welfare	All Assam Unemploye d Youth Parishad (Aauyp)	500	500	Direct
16.	Ensuring protection of animal welfare	Animal welfare	Online Amount Tfd. To Gaurav Pawn Medical Agencies (A/C No. 72805) As Per Mr. Ankit Chawla	5602	5602	Direct
17.	promoting health care including preventinve health care	Medical	Satnam And Company Towards Medicines Purchased Towards Donate For People Throgh Manish Medical Centre	6200	6200	Direct



			Vide Bill No. 02290 Dt. 24.10.2020			
18.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Socio-Economic Development	Balwant For Dal And Rice Purchasing Donated In Renigunta Annath Aashram	7050	7050	Direct
19.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Socio-Economic Development	Donation To KAMAKHYA TEMPLE Guwahti	3000	3000	Direct
20.	Ensuring protection of animal welfare	Animal welfare	Shri Krishan Gaushala Ruderpur	1100	1100	Direct
21.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Socio-Economic Development	Chhabra Healthcare Solution Pvt. Ltd.	46799.76	46799.76	Direct
22.	Eradicating hunger, poverty and malnutrition, promoting health care	Socio-Economic	Shri Subha Siddhi Vinayaka Mandir	200000	200000	Direct



	including preventinve health care	Developme nt	Society Ubin			
23.	Eradicating hunger, poverty and malnutrition, promot ing health care including preventinve health care	Socio-Economic Developme nt	Donation to anand service society	61000	61000	Direct
24.	Promoting education, employment enhancing vocation skills especially among children, and the differently abled and livelihood enhancement projects.	Socio-Economic Developme nt	Donation to pingalwara society	100000	100000	Direct
25.	Contribution to the prime Care fund	Socio-Economic Developme nt	PM Care	100000	100000	Direct
26.	Eradicating hunger, poverty and malnutrition, promot ing health care including preventinve health care	Socio-Economic Developme nt	Donation to SHRI SUBAH SIDDHI VINAYAK MANDIR	100000	100000	Direct



27.	Ensuring protection of animal welfare	Animal welfare	Donation to Krishna gaushal (Rohatak, H R)	51000	51000	Direct
28.	Ensuring protection of animal welfare	Animal welfare	Donation to Krishna gaushal, (bhiwani, Hr)	100000	100000	Direct
29.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Socio-Economic Development	Donation to Abhay kshetram charitable trust	150000	150000	Direct
30.	Promoting gender equality, empowering women and measures for reducing inequalities faced by women	Socio-Economic Development	donation for Marriage of Girl	41207	41207	Direct
31.	Contribution to the prime minister's national relief fund	Socio-Economic Development	PM National Fund	200000	200000	Direct
Total =				2186616.02		



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
DIN:08594895

27.10.2021

NEW DELHI



FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2021

*[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
(CIN: L60200DL2010PLC198327)
Regd. Office: Office No. 25, DDA Market,
Sarita Vihar, Delhi - 110092
Corporate Office: 102, 1st Floor,
Jhilmil Metro Complex, Delhi-110095

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 “**the Company**”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our Opinion thereon.

Based on our verification of the Company’s relevant books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided to us by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of COVID-19 Pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021, generally complied with the provisions of Acts, Rules, Regulations, Guidelines, Standards listed hereunder 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 ended on March 31, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; **(Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment. Not applicable for External Commercial Borrowings as there was no reportable event during the financial year under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **The Company has issued shares under Preferential Allotment under the Act to the tune of Rs. 6,49,99,924/- (Rupees Six Crores Forty-Nine Lacs Ninety Thousand Nine Hundred and Twenty-Four Only) during the audit period. All the compliances under the Act were duly complied;**
 - (e) 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 audit period;**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable, since the company has not listed any debt securities during the audit period;**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable, since the company is not acting as acting as Registrar to an Issue;**
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as there was no reportable event during the audit period;** and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable as there was no reportable event under the audit period;**



(vi) As informed to us, the management has identified and confirmed the following laws as specifically applicable to the Company:

- (a) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- (b) The Employees' State Insurance Act, 1948;
- (c) The Employees' Compensation Act, 1923;
- (d) Shops & Commercial Establishment Act of all applicable States;
- (e) Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations;
- (f) Professional Tax Acts of the all applicable States;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the National Stock Exchange (NSE) as the Company is listed on SME Board on the NSE.

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 Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors during the audit period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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. For the compliance requirement we report that:

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 September 30, 2020 by 60 days as such for which a penalty of Rs. 3,61,200 was levied by NSE and duly paid by the Company.

Also, there has been a delay in filing of the financial results for the half year ended on March 31, 2021. The Company has assured that the penalties as levied by NSE shall be duly paid upon approval of financials by the Board and relevant filings shall be complied with.



2. **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. However, during the pandemic there was delay in filling some forms, which were consequently filed under Company Fresh Start Scheme, 2020 as notified by the MCA.

We further report that during the Audit Period, the Company has incurred the following 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.:

- **Preferential issue of shares:** The Company has issued equity shares under preferential allotment of equity shares under the Companies Act, 2013 read with rules made thereunder and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The main object of the Company of performing the specific event was to fulfill the internal requirements of the Company. All the compliances requirements in this regard were duly complied.

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.

For **NPS & Associates**
Company Secretaries



CS Nakul Pratap Singh
Company Secretary in Practice
M. No: A55529
COP: 22069
UDIN: **A055529C001291401**

Date: October 27, 2021
Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

To,
The Members,
AVG Logistics Limited
(CIN: L60200DL2010PLC198327)
Regd. Office: Office No. 25, DDA Market,
Sarita Vihar, Delhi - 110092
Corporate Office: 102, 1st Floor,
Jhilmil Metro Complex, Delhi-110095.

Our Secretarial Audit Report of even date is to be read along with this letter:

1. The compliance of provisions of all laws, rules, regulations, standards applicable to AVG Logistics Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial and other records. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **NPS & Associates**
Company Secretaries



CS Nakul Pratap Singh
Company Secretary in Practice
M. No: A55529
COP: 22069

Date: October 27, 2021
Place: Delhi



ANNEXURE-F

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON March 31, 2021

[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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Logistics Services (Transportation, etc)	49120, 49231, 5210	100%



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	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 – 2020				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	7209200	0	7209200	61.2232	-8.771
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(1)	7208000	0	7208000	69.9942	7209200	0	7209200	61.2232	-8.771
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000



(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	7208000	0	7208000	69.9942	7209200	0	7209200	61.2232	-8.771
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	1803600	0	1803600	17.5141	2826327	0	2826327	24.0022	6.4881
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	70800	0	70800	0.6875	52800	0	52800	0.4484	-0.2391
(f)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	1874400	0	1874400	18.2016	2879127	0	2879127	24.4506	6.249
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 2 lakh.	469200	0	469200	4.5562	508844	0	508844	4.3213	-0.2349
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	480000	0	480000	4.6611	723290	0	723290	6.1424	1.4813



(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Hindu Undivided Family	87600	0	87600	0.8507	74400	0	74400	.6318	-0.2189
	Non Resident Indians (Non Repat)	6000	0	6000	0.0583	6000	0	6000	0.0510	-0.0073
	Non Resident Indians (Repat)	31200	0	31200	0.303	6000	0	6000	0.0510	0.252
	Clearing Member	1200	0	1200	0.0117	3556	0	3556	0.0302	0.0185
	Body Corporate-LLP	0	0	0	0	202854	0	202854	1.7227	1.7227
	Bodies Corporate	140400	0	140400	1.3634	162000	0	162000	1.3758	0.0124
	Sub Total (B)(3)	1215600	0	1215600	11.8042	1686944	0	1686944	14.3262	2.522
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	3090000	0	3090000	30.0058	4566071	0	4566071	38.7768	8.771
	Total (A)+(B)	1029800	0	1029800	100.0000	1177527	1	11775271	100.000	0
(C)	Non Promoter - Non Public									
	(C1) Shares Underlying DRs									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	1029800	0	1029800	100.0000	1177517	1	11775171	100.000	0
		0	0	0	0.0000	0	0	0	0.0000	0.0000



ii. 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	53.2385	0.0000	5482500	46.5594	0.0000	0.0000
2	Mr. Sanjay Gupta .	1232500	11.9683	0.0000	1716700	14.5789	0.0000	0.0000
3	Ms. NitiGupta .	489000	4.7485	0.0000	6000	0.0510	0.0000	0.0000
4	Mr. JagdishChanderShar	1000	0.0097	0.0000	1000	0.0085	0.0000	0.0000
5	Mr. Praveen Kumar .	1000	0.0097	0.0000	1000	0.0085	0.0000	0.0000
6	Mr. Vijay Kumar Garg .	1000	0.0097	0.0000	1000	0.0085	0.0000	0.0000
7	Mr. VinayakGupta .	1000	0.0097	0.0000	1000	0.0085	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 – 2020		Transactions during the year		Cumulative Shareholding at the end of the year – 2021	
		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	N.A.	N.A.	5482500	46.5594
	AT THE END OF THE YEAR					5482500	46.5594
2	SANJAY GUPTA .	1232500	11.9683	During the year	484200	1716700	14.5789
	AT THE END OF THE YEAR					1716700	14.5789
3	NITI GUPTA .	489000	4.7485	During the year	483000	6000	0.0510
	AT THE END OF THE YEAR					6000	0.0510
4	VIJAY KUMAR GARG .	1000	0.0097	N.A.	N.A.	1000	0.0085
	AT THE END OF THE YEAR					1000	0.0085
5	VINAYAK GUPTA .	1000	0.0097	N.A.	N.A.	1000	0.0085
	AT THE END OF THE YEAR					1000	0.0085
6	JAGDISH CHANDER SHARMA .	1000	0.0097	N.A.	N.A.	1000	0.0085
	AT THE END OF THE YEAR					1000	0.0085
7	PRAVEEN KUMAR .	1000	0.0097	N.A.	N.A.	1000	0.0085
	AT THE END OF THE YEAR					1000	0.0085



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 – 2020		Transactions during the year		Cumulative Shareholding at the end of the year – 2021	
		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	1803600	17.5141			1803600	17.5141
	Transfer				1122727	1803600	24.0022
	AT THE END OF THE YEAR					2926327	24.0022
2	VED PARKASH .	184800	1.7945		13200	184800	1.7945
	Transfer					184800	1.7945
	AT THE END OF THE YEAR					198000	1.6815
3	VED PRAKASH SONTHALIA						
	Transfer				171654	171654	1.4577
	AT THE END OF THE YEAR					171654	1.4577
4	PASSAGE TO INDIA MASTER FUND LIMITED	70800	0.6875			70800	0.6875
	Transfer				(18000)	52800	0.4484
	AT THE END OF THE YEAR					52800	0.4484
5	SONAL SHARE & STOCK BROKERS PVT. LTD.	40800	0.3962			40800	0.3465
	AT THE END OF THE YEAR					40800	0.3465
6	MINAXI PARMANAND KHANDWALA	39600	0.3845			39600	0.3845
	Transfer				(6000)	33600	0.2854
	AT THE END OF THE YEAR					33600	0.2854
7	J M C SECURITIES PVT LTD	38400	0.3729			38400	0.3729
	Transfer				18000	56400	0.479
	AT THE END OF THE YEAR					56400	0.479



8	HITEN VAMANRAI PAREKH	25200	0.2447			25200	0.2447
	AT THE END OF THE YEAR					25200	0.2447
9	NIKHIL VORA HUF	25200	0.2447			25200	0.2447
	Transfer				(3600)	21600	.1834
	AT THE END OF THE YEAR					21600	.1834
10	ANOOP JOSEPH	25200	0.2447			25200	0.0699
	Transfer				(254200)	25200	0.0699
	AT THE END OF THE YEAR				-	-	-

v. Shareholding of Directors and Key Managerial Personnel:

S. No.		Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	SANJAY GUPTA	12,32,500	11.97			1716700	14.5789
2.	ASHA GUPTA	5482500	53.24			5482500	46.5594
	Total	6715000	65.71			7199200	61.1383



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	6131.86	324.7		6456.56
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	6131.86	324.7	0	6456.56
Change in Indebtedness during the financial year				
- Addition	2136.57	-		2136.57
- Reduction				
Net Change	2136.57		0	2136.57

Indebtedness at the end of the financial year	8268.43	324.70		8268.43
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	8268.43	324.70	0	8268.43



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	65,40,000	54,50,000	1,19,90,000
	(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			
2.	Stock Option			



B. Remuneration other Directors

1.	Sweat Equity						
2.	Commission - as % of profit - Others, specify...						
3.	Others, please specify						
4.	Total(A)						
	Ceiling as per the Act						

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager/Director					Total Amount
		SHYAM SUNDER SONI	SURESH KUMAR JAIN	BISWANAT H SHUKLA	SUSHEEL KR. TYAGI	Pawan Kant	
	<u>Independent Directors</u> -Fee for attending board /committee meetings -Commission -Others, please specify					3,50,000	3,50,000
	Total(1)					3,50,000	3,50,000
	<u>Other Non-Executive Directors</u> -Fee for attending board committee meetings -Commission -Others, please specify	1,75,000			4,75,000		4,75,000
	Total(2)	1,75,000	0	0	4,75,000		4,75,000
	Total(B)=(1+2)	1,75,000	0	0	4,75,000	3,50,000	10,00,000
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						



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

Sl. no.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
	1		Laveena Jain	Gurpreet Singh	
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		5,04,000	34,64,000	
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others specify				
5.	Others, please specify				
6.	Total		5,04,000	34,64,000	

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees 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. 253800	SEBI	
Punishment					
Compounding					
Penalty					
Punishment					



Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA

Date: 27.10.2021

CHAIRMAN

Place: New Delhi

DIN:00527801



ANNEXURE - G

MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Post COVID-19, the global logistics market size is projected to grow from USD 2,734 billion in 2020 to USD 3,215 billion by 2021, at a Y-O-Y of 17.6%.

The major drivers of this market is increasing demand of essential commodities and items for fighting COVID-19. FMCG and Healthcare are among the major industries facing prominent logistics challenges. Most consumers are experiencing the fear of limited availability of fast-moving consumer goods as well as healthcare goods.

Roadways are relatively less affected by the COVID-19's impact on the logistics sector when compared with airways and waterways. However, the primary concern faced by the road transport segment is driver shortage and ensuring the health and safety of the available drivers.

The Indian logistics industry has been gaining traction in the last few years and plays a very important role in facilitating trade and thereby propelling the growth of the Indian economy.

The deeper penetration into Bharat (Tier II, III & IV towns), economy enhancing initiatives such as Make in India, Digital India and the National Logistics Policy, all hold a promise for an efficient and integrated logistics industry in the days ahead.

AVG Logistics Limited (hereinafter referred to as "AVG") has ventured into Coastal movement with Experts in the said business. The Company has carved out the Refer business from it's normal roadways and now is providing specialized Refer services with Professional of the area handling the affairs. AVG has on boarded Mr. Nagendra Kumar Sharma as COO(Chief Operating Officer) for bringing efficiencies and cost controls in its operations.

AVG is increasing its presence in Rail logistics and expects a tremendous increase in this sector.

OPPORTUNITIES AND THREATS

Increase in the online business is bringing new opportunities for logistics players where demand for setting up Warehouses and last mile delivery facilities is increasing at a very fast pace.

Focus on FMCG and Healthcare Sector

AVG has tied up with Flipkart for consolidation and distribution of their items.



Any changes in regulatory norms by the Government of India (GoI) may impact the operations. AVG is continuously making an effort, leveraging technological advancements and expanding the product portfolio to minimize the regulatory risk, if any.

There could be a margin pressure due to competition from unorganized sector and new entrants.

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's freight income has increased by 12% as compared to previous year, this is due to the providing innovative logistics solutions to its existing customers as well as new customers. The introduction of Coastal and Rail logistics solutions and specialized catering of refer services is expected to go a long way in times to come.

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:

- Highly competitive industry with many unorganized players and new entrants
- Shortage of drivers
- Increasing Diesel rates

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 it 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



The year under review had been affected by the pandemic COVID-19 which had raised new challenges to cater to logistic needs of our customers. Shortage of market vehicles, Safety of Drivers and Increase in Diesel prices posed other threats during these times. The nationwide lockdown from March, 2020 disrupted the logistic operations and majorly affected the operations in the first quarter of the year under review. AVG however picked up the pace in operations in the new normal in the following period enabling it to achieve a growth of 12% in the freight income on year to year basis. During the gradual lockdown period we followed all the guidelines issued in this regard by the respective States and the Central Government and remained operational and after some initial hiccups, road transportation started operating as normal.

Particulars	As at March 31			
	2021	2020	2019	2018
Income				
Revenue from Operations	33,339.24	32,228.24	31349.21	22659.36
Increase/Decrease	3.44%	2.83%	38.35%	16.35%
Other Income	118.81	146.02	221.02	43.47
Increase/Decrease	(18.63)	(33.93)%	405.30%	284.36%
Total Revenue	33458.05	32374.26	31570.23	22703.10
Increase/Decrease	3.35%	25%	39.06%	16.51%
EBITDA	1562.52	2534.78	2933.32	2450.62
As a % of Total Revenue	4.67%	7.86%	9.29%	10.79%
Increase/Decrease	(38.36)%	13.27%	19.70%	46.98%
Profit before Tax (PBT)	(0.007)	635.97	1340.14	1202.57
As a % of Total Revenue	(99.63)%	1.96%	4.24%	5.30%
Increase/Decrease		(54.35)%	11.44%	87.76%
Profit after Tax (PAT)	(176.34)	447.97	1011.67	754.65
As a % of Total Revenue	(0.53)%	1.38%	3.20%	3.32%
Increase/Decrease	(139.36)%	(57.51)%	34.06%	67.53%



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 408 employees including trainees. The focus during the year has been around enhancing the productivity of employees.

The Company employed the Specific Area Specialists with more than 20 years of experience:

- COO – Chief Operating Officer – Mr. Nagendra Sharma
- Refer - Business Head (Cold Chain Division) – Mr. Bijay N Mishra
- Coastal - Business Head (Coastal Division) – Mr. Kuldeep Sharma

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 Boards 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.

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, 2021, and the Statement of Profit and Loss and 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 (hereinafter referred to as “the standalone financial statements”).

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, 2021, and loss and its cash flows for the year ended on that date.

Basis for Opinion

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:

Note 42 which states that management 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, 2021 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 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> <ol style="list-style-type: none"> 1. Assessing the compliance of revenue recognition accounting policies, including those relating to discounts and rebates; 2. Performing 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; 3. 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; 4. Performed analytical procedures for reasonableness of incurred and estimated efforts. 5. Testing the appropriate evidence in case of cash transactions.
2	<p>Trade receivables The Company assesses the recovery of all the debit balances.</p>	<p>Our audit procedures in respect of this are included but not limited to:</p>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	Further, the balances which are long outstanding are actively pursued. Management creates provision for doubtful debts basis facts and circumstances of each case and the ageing of the debit balance. We have determined this matter to be key audit matter.	<ol style="list-style-type: none"> 1. Obtained the listing and ageing of the trade receivables and traced their balances to standalone financial statements. 2. Performed the balance confirmation procedures and alternate procedures where we did not receive response to our balance confirmation requests. 3. Assessed the basis of management's judgement regarding allowance made against aged balances and those balances assessed as unrecoverable by the management. 4. Assessed the appropriateness of presentation/disclosure in the standalone financial statements. 5. Verified subsequent recovery of Trade receivables by tracing them in the books of accounts and bank statement on sample basis.
3	<p>Lorry trip advances</p> <p>The Company has outstanding lorry trip advances which are given to truck drivers for meeting transportation expenses. Any excess amount is required to be refunded back or adjusted from subsequent trips. Allowance for doubtful of recovery 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.</p>	<p>Our audit procedures in respect of this are included but not limited to:</p> <ol style="list-style-type: none"> 1. Obtained the listing and ageing of the lorry advances and traced their balances to standalone financial statements. 2. Assessed the basis of management's judgement regarding allowance made against long outstanding balances. 3. Assessed the appropriateness of presentation/disclosure in the standalone financial statements. 4. Verified settlement of lorry advances during the year

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
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: 21094518AAAADJ7311

Place: Bikaner, Rajasthan
Date: October 27, 2021

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 Standalone 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: 21094518AAAADJ7311

Place: Bikaner, Rajasthan
Date: October 27, 2021

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' 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) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed 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 not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company
- 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 the details are as follows:

Reporting under section 186

Sr. No.	Particulars	Maximum principal amount outstanding during the year (INR Lakhs)	Principal Amount as at March 31, 2020 (INR Lakhs)	Principal Amount received during the year (INR lakhs)	Principal Amount as at March 31, 2021 (INR lakhs)	Rate of Interest
1.	SVJ Developers Private Limited	277.00	277.00	25.00	252.00	11%
2.	RN Finance Limited	287.32	287.32	69.50	217.83	11%
3.	Dhan Kuber Financer Private Limited	40.40	40.40	12.50	27.90	11%
4.	CC Trading	5.63	5.63	5.63	Nil	9%

- 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, 2021 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 employees' 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 goods and service tax which were outstanding, at the year end, 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 in INR lakhs	Period to which the amount relates	Due Date	Date of Payment
Goods and Service Tax, 2017	Goods and Services tax	12,188,542	August 2020	September 2020	Not yet paid
Goods and Service Tax, 2017	Goods and Services tax	16,301,399	September 2020	October 2020	Not yet paid

(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, 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 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 made preferential allotment of shares during the year and the requirements of Section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- 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: 21094518AAAADJ7311

Place: Bikaner, Rajasthan
Date: October 27, 2021

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, 2021 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 - This paragraph is not to be considered if Disclaimer of opinion is issued

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, 2021:

1. In case of 'Lorry Trip Advance', the Company does not have a process in place to timely reconcile the advance paid with expense settlement. Such weakness could potentially result in recognition of expenses in the inappropriate period.
2. The Company did not have a robust policy in respect to KYC documentation of cash receipts and payment. In the absence of adequate control over cash management system, there could be inappropriate recording of cash transactions.
3. The Company does not have formal period end closure process to account for adjustment specifying the period end activities that are required to be carried out by a Company, including period-end cut offs, assessment of doubtful debts, reconciliation of key balances. Without a formal process of financial statement closure process, ensuring processing of the documents accurately and maintaining consistency may be difficult.
4. The Company has given loans to third parties on agreed terms and conditions. The Company does not have a robust cash management policy to decide on providing funding to third parties and timing of recovery of such loans. Absence of cash management policy may potentially have an impact on the recovery of such loans.
5. In case of advance to supplier, the Company does not have an appropriate internal control system for 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, 2021, 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, 2021 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: 21094518AAAADJ7311

Place: Bikaner, Rajasthan
Date: October 27, 2021

AVG Logistics Limited
Standalone Balance Sheet as at March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,177.53	1,029.80
Reserves and surplus	3	6,670.22	6,344.28
		7,847.75	7,374.08
Non-current liabilities			
Long-term borrowings	4	3,861.97	2,777.85
Other long term liabilities	5	393.31	252.19
Long term provisions	6	64.85	67.03
		4,320.13	3,097.07
Current liabilities			
Short-term borrowings	7	4,715.05	3,678.71
Trade payables	8		
(i) total outstanding dues of micro enterprises and small enterprises; and		-	14.90
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,715.55	2,733.09
Other current liabilities	9	4,337.96	3,938.08
Short-term provisions	10	59.04	61.25
		10,827.60	10,426.03
		22,995.48	20,897.18
ASSETS			
Non-current assets			
Property, plant and equipments	11(a)	6,351.51	3,923.01
Intangible assets	11(b)	1.58	3.85
Capital work-in-progress	11(a)	222.19	1,637.26
Non-current investments	12	986.07	986.07
Deferred tax assets (Net)	13	144.99	131.09
Long term loans and advances	14	1,491.14	991.89
Other non current assets	15	214.42	41.87
		9,411.90	7,715.04
Current assets			
Inventories	16	35.19	69.35
Trade receivables	17	8,365.16	8,116.28
Cash and bank balances	18	575.72	618.87
Short-term loans and advances	19	3,326.05	3,457.59
Other current assets	20	1,281.46	920.05
		13,583.58	13,182.14
		22,995.48	20,897.18

Summary of significant accounting policies

1(b)

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

As per our report of even date
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

Gurpreet Singh Luthra
Chief Financial Officer

Place: Bikaner, Rajasthan
Date: October 27, 2021

Place: Delhi
Date: October 27, 2021

AVG Logistics Limited**Standalone Statement of Profit and Loss for the year ended March 31, 2021**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	21	33,339.24	32,228.24
Other income	22	118.81	146.02
		33,458.05	32,374.26
Expenses			
Purchases of traded goods	23	-	3,510.73
Change in inventories	24	-	(61.17)
Transportation expense	25	26,579.29	21,838.25
Employee benefits expense	26	1,234.13	1,408.93
Finance costs	27	1,220.99	968.09
Depreciation and amortization expense	11	678.44	930.72
Other expenses	28	4,082.10	3,119.62
		33,794.95	31,715.17
(Loss)/Profit before tax and prior period adjustments			
Prior period (income)/ expenses (net)	30	(100.89)	23.12
(Loss)/Profit before tax		(236.01)	635.97
Tax expense:			
(1) Current tax		-	289.83
(2) Prior period tax/(credit)		(45.77)	8.44
(3) Deferred tax charge/(credit)		(13.91)	(110.27)
(Loss)/ Profit for the year		(176.33)	447.97
Earning per equity share (nominal value of Share INR 10 (Previous year INR 10))			
(1) Basic	32	(1.58)	4.35
(2) Diluted	32	(1.58)	4.35
Summary of significant accounting policies	1(b)		

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

As per our report of even date

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

Gurpreet Singh Luthra

Chief Financial Officer

Place: Bikaner, Rajasthan

Date: October 27, 2021

Place: Delhi

Date: October 27, 2021

AVG Logistics Limited
Standalone Cash Flow Statement for the year ended March 31, 2021
(All amount in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Net (loss)/ profit before tax	(236.01)	635.97
Adjustments for:		
Depreciation and amortisation	678.44	930.72
Profit on sale of property, plant and equipment (net)	(1.06)	(36.68)
Finance costs	1,220.99	968.09
Interest income	(83.31)	(93.58)
Provision written back to the extent no longer required	(8.26)	(0.20)
Provision for doubtful debts	886.01	216.97
Bad debts written off	211.21	-
Provision for lorry advance	131.62	378.42
Lorry advance written off	100.60	-
Provision for employee advances	-	21.79
Operating cash flows before working capital changes	2,900.23	3,021.50
Adjustments for changes in working capital :		
(Decrease)/ increase in trade payables	(1,024.19)	1,784.58
(Decrease)/ increase in provisions	(4.39)	38.61
(Decrease)/ increase in other liabilities	(99.79)	405.37
(Increase)/ Decrease in trade receivables	(1,346.09)	(1,286.52)
(Increase)/ Decrease in loans and advances	(207.79)	(880.90)
Decrease/ (Increase) in inventories	34.16	(61.17)
(Increase)/ Decrease in other current and non-current assets	(307.09)	(288.95)
Cash (used in) / generated from operations	(54.95)	2,732.52
Taxes paid (net)	(503.76)	(677.89)
Net cash (used in) / generated from operating activities	(558.71)	2,054.63
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	(1,729.49)	(1,974.30)
Proceeds from / (Investment) in deposits	(57.59)	(161.54)
Proceeds from sale of Property, Plant and Equipment	25.04	104.51
Loans given to related Parties	-	(1.00)
Loans repaid by related Parties	-	60.81
Loans repaid by others parties	87.63	274.91
Interest received	28.98	19.60
Net cash used in investing activities	(1,645.43)	(1,677.01)
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital including securities premium	650.00	-
Proceeds from long-term borrowings	2,252.29	1,563.10
Repayment of long-term borrowings	(808.63)	(1,431.13)
Proceeds from short-term borrowings (net)	1,036.34	585.24
Interest paid	(931.80)	(987.53)
Net cash generated from / (used in) financing activities	2,198.20	(270.32)
Net increase in cash and cash equivalents (A+B+C)	(5.95)	107.30
Cash and cash equivalents at beginning of year	343.04	235.74
Cash and cash equivalents at end of the year	337.09	343.04

AVG Logistics Limited
Standalone Cash Flow Statement for the year ended March 31, 2021
(All amount in INR Lakhs, unless otherwise stated)

Components of cash and cash equivalents (Refer note 18):

Cash on hand	204.97	139.78
Balances with banks:		
On current accounts	132.13	203.26
	<u>337.10</u>	<u>343.04</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

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

Amit Mitra
Partner
Membership Number: 094518

Sanjay Gupta **Asha Gupta**
Managing Director Director
DIN: 00527801 DIN: 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Place : Bikaner, Rajasthan
Date : October 27, 2021

Place: Delhi
Date: October 27, 2021

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, 2021		As at March 31, 2020	
	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)	11,775,271	1,177.53	10,298,000	1,029.80
	11,775,271	1,177.53	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, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	10,298,000	1,029.80	10,298,000	1,029.80
Add: Additional shares issued during the year	1,477,271	147.73	-	-
Outstanding at the end of the year	11,775,271	1,177.53	10,298,000	1,029.80

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Mr. Sanjay Gupta	1,716,700	14.58%	1,232,500	11.97%
Mrs. Asha Gupta	5,482,500	46.56%	5,482,500	53.24%
Sixth Sense India Opportunities II	2,826,327	24.00%	1,803,600	17.51%

The above information is furnished as per the shareholder register as on March 31, 2021.

(c) 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.

(d) 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.

(e) The Company has issued 1,477,271 equity shares of INR 10 each at a premium of INR 34 each, total amounting INR 650 Lakhs under preferential allotment dated August 29, 2020. The amount has been raised and utilised for working capital purposes.

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

3 Reserves and surplus	As at March 31, 2021	As at March 31, 2020
Securities premium		
Opening balance	2,659.52	2,659.52
Add: Premium on issue of shares	502.27	-
Closing balance	3,161.79	2,659.52
Surplus in Statement of Profit and Loss		
Opening balance	3,684.76	3,236.79
Add: (Loss)/ Profit for the year	(176.33)	447.97
Closing balance	3,508.43	3,684.76
	6,670.22	6,344.28
4 Long-term borrowings	As at March 31, 2021	As at March 31, 2020
Secured loan		
Term loans from bank including vehicle loan	3,708.34	2,032.39
Less : Disclosed as "Other current liabilities" (Refer note 9)	(953.97)	(584.83)
Term loans from Non banking financial institutions (NBFC)	2,034.10	2,266.39
Less : Disclosed as "Other current liabilities" (Refer note 9)	(926.50)	(936.10)
	3,861.97	2,777.85

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, 2021	As at March 31, 2020
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	1,054.46	957.15
2	Punjab National Bank	Repayable in 18 installments with ROI 8.25%	The primary security is book debts and stock.	273.61	-
3	Punjab National Bank	Working Capital Term Loan under Emergency Credit Line Guarantee Scheme (ECLGS 2.0) with interest rate 8.35% and repayable in 60 monthly installments.	Charge over present and future current assets of the company. Additional WCL shall rank as second charge in terms of cash flows and security. Facility under this scheme is secured through gurantee coverage from NCGTC.	750.00	-
4	Indian Bank	Repayable in 72 monthly installments starting from April 1, 2020 with ROI 9.95%	1.Hypothecation of commercial vehicle (Truck). 2. Hypothecation of fixed assets of the Company which are not exclusively charged to any other banks	209.68	-
Vehicle Loan from banks and NBFC					
5	IndusInd Bank Limited	Repayable in monthly installments ranging from 46 to 47 months with ROI ranging from 9.95% to 10.50%.	Hypothecation of vehicle (Truck)	646.71	523.94
6	HDB financial Services Limited	Repayable in monthly installments ranging from 35 to 53 months with ROI ranging from 10.40% to 11%.	Hypothecation of vehicle (Truck)	60.62	91.69
7	Hinduja Leyland Finance Limited	Repayable in monthly installments ranging from 40 to 53 months with ROI ranging from 10.01% to 14.3%.	Hypothecation of vehicle (Truck)	398.60	493.70
8	ICICI Bank Limited	Repayable in monthly installments ranging from 34 to 52 months with ROI ranging from 9.4% to 11%.	Hypothecation of vehicle (Truck)	532.06	269.37
9	India Infoline Finance Limited	Repayable in monthly installments ranging from 23 to 40 months with ROI ranging from 12% to 13%.	Hypothecation of vehicle (Truck)	27.01	65.23
10	Kotak Mahindra Bank Limited	Repayable in monthly installments ranging from 35 to 50 months with ROI ranging from 10% to 12.63%.	Hypothecation of vehicle (Truck)	149.64	241.61
11	Mahindra and Mahindra Finance	Repayable in 52 monthly installments with ROI 11.51%.	Hypothecation of vehicle (Truck)	137.97	157.13

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts 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, 2021	As at March 31, 2020
12	Sundaram Finance Limited	Repayable in 50 to 60 monthly installments with ROI ranging from 9.96% and 11.96%.	Hypothecation of vehicle (Truck)	552.95	515.81
13	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	Tata Motors Finance Limited	Repayable in monthly installments ranging from 34 to 52 months with ROI ranging from 8.88% and 10.54%.	Hypothecation of vehicle (Truck)	277.30	198.82
15	Volkswagen Finance Private Limited	Repayable in monthly installments ranging from 36 to 48 months with ROI 10% and 10.5%	Hypothecation of vehicle (Truck)	573.21	684.07
		Repayable in 60 monthly installments with ROI 10.25%.	Hypothecation of vehicle (Car)	-	0.50
16	Punjab National Bank	Repayable in monthly installments ranging from 60 to 84 months with ROI ranging from 7.40% and 10%.	Hypothecation of vehicle (Car)	18.62	8.87
17	Union Bank of India	Repayable in 48 monthly installments with ROI 10.7%.	Hypothecation of vehicle (Car)	0.86	5.67
18	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)	19.60	22.86
19	HDFC Bank	Repayable in 36 monthly installments with ROI 11.25%	Hypothecation of vehicle (Car)	1.72	2.93
20	Indian Bank	Repayable in 72 monthly installments with ROI 7.90%	Hypothecation of vehicle (Car)	10.14	-
21	Equitas Small Finance Bank	Repayable in 50 monthly installments with ROI 11%.	Hypothecation of vehicle (Truck)	47.67	57.36
Total				5,742.44	4,298.78

	As at March 31, 2021	As at March 31, 2020
5 Other long term liabilities		
Security deposits	48.93	64.43
Deferred lease liability	344.39	187.76
	393.31	252.19
6 Long term provisions		
Provision for gratuity	64.85	67.03
	64.85	67.03
7 Short-term borrowings		
Secured loan		
- From Banks	4,390.35	3,354.01
Unsecured loan		
- From associate Company	324.70	324.70
	4,715.05	3,678.71

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, 2021	As at March 31, 2020
Cash credit from banks					
1	Indian Bank	Repayable on demand with ROI 10.45%	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) Collateral - 1. EM of all properties mortgaged in PNB. Paripassu with PNB (Sharing ratio is 61.50:10) 2. Other assets (e.g. LIC Policies) paripassu with PNB (Sharing ratio is 61.50:10) 3. Industrial plot (plot no. 149 (P), 150 (P) and 151 (P), out of Khaitan no. 9243 and 149, 151, 153, 154, 176 out of khaitan no. 9075) at R.K. Nagar Industrial Park area at Bodhjungnagar, Agartala, West Tripura with Land area of 24205 sq. metres/ 6 acres (lease period 30 years) having purchase cost of Rs. 0.3347 crores and building built /to be built thereon including all fixtures. Total Area mortgaged is 6 acres. Second Paripassu with PNB for exposure of 60.00 crores i.e. after deducting TL of Rs. 11.50 crores for which it is a primary security. 4. Industrial plot at plot no. 103, Adakanahalli Industrial Area, Mysore, Karnataka measuring 7749 sq metres (lease period 99 years) having purchase cost of Rs. 1.6604 crores and building built/ to be build thereon including all fixtures. Second Paripassu with PNB for exposure of 60.00 crores i.e. after deducting TL of Rs. 11.50 crores for which it is a primary security. 5. Residual value on these two warehouses after considering existing term loan of PNB of Rs. 11.50 cr. Second Paripassu with PNB (sharing ratio is 50:10)	773.15	-
2	Punjab National Bank	Repayable on demand with ROI 11.95%	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)	1,083.47	3,354.01
3	Punjab National Bank	Repayable in 3 installments starting from January 2021 with ROI 12.90%	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	33.73	-

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

4	Punjab National Bank	Foreign currency loan repayable in 3 installments starting from January 2021 with ROI LIBOR +3.10% +Forward premium	First Parri passu charge on Book debts arising out of genuine trade transactions including advances to suppliers and other current assets with other consortium member bank	2,500.00	-
Total				4,390.35	3,354.01

8 Trade payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	-	14.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,715.55	2,733.09
	1,715.55	2,747.99

AVG Logistics Limited

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier as at March 31, 2021 are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
- Principal amount	-	14.90
- 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		
	As at March 31, 2021	As at March 31, 2020
Current maturities of long term borrowings	1,880.47	1,520.93
Payable in respect of purchase of property, plant and equipment	164.25	139.97
Goods and Service tax	1,152.18	1,537.01
Other statutory dues	38.04	53.15
Interest accrued and due on borrowings	263.42	5.94
Interest accrued but not due on borrowings	15.60	16.11
Other payables	202.80	198.93
Employees benefits payable	143.45	180.77
Advance from customers	108.57	13.29
Interest payable on statutory dues	184.54	188.41
Security deposits	184.65	83.57
	4,337.96	3,938.08
10 Short-term provisions		
	As at March 31, 2021	As at March 31, 2020
- Provision for leave encashment	6.08	5.99
- Provision for gratuity	18.54	21.53
- Provision for other employee benefits	34.43	33.73
	59.04	61.25

AVG Logistics Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

11 (a). Property, plant and equipment

Particular	Freehold land	Leasehold land	Vehicle*	Trucks*	Furniture & fixtures	Office equipment	Building - RCC frame structure*	Building - other than RCC frame structure*	Computers	Total	Capital work in progress
Gross block											
As at April 01, 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
Disposals	-	-	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
Addition	-	-	34.09	807.32	7.65	18.31	1,184.24	1,064.37	14.93	3,130.91	222.19
Disposals	-	-	9.97	126.49	-	0.15	-	-	-	136.61	1,637.26
As at March 31, 2021	192.06	35.88	322.73	7,478.35	78.07	203.91	1,184.24	1,064.37	89.91	10,649.52	222.19
Accumulated depreciation											
As at April 01, 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	
Charge for the year (refer note 44)	-	1.14	27.98	587.31	6.72	20.62	10.27	13.58	8.54	676.16	
Disposals	-	-	8.50	101.96	-	0.05	-	-	-	110.51	
As at March 31, 2021	-	4.05	185.70	3,843.63	34.38	137.90	10.27	13.58	68.35	4,297.86	
Net block											
As at March 31, 2020	192.06	32.97	132.39	3,439.24	42.76	68.42	-	-	15.17	3,923.01	
As at March 31, 2021	192.06	31.83	137.03	3,634.72	43.69	66.01	1,173.97	1,050.79	21.56	6,351.51	

* Refer note 4 for information related to property, plant and equipment pledged as security by the Company.

11 (b). Intangible assets

Particular	Software	Total
Gross block		
As at April 01, 2019	9.42	9.42
Addition	-	-
Disposals	-	-
As at March 31, 2020	9.42	9.42
Addition	-	-
Disposals	-	-
As at 31 March 2021	9.42	9.42
Accumulated amortisation		
As at April 01, 2019	3.29	3.29
Charge for the year	2.28	2.28
Disposals	-	-
As at March 31, 2020	5.57	5.57
Charge for the year	2.28	2.28
Disposals	-	-
As at March 31, 2021	7.85	7.85
Net block		
As at March 31, 2020	3.85	3.85
As at March 31, 2021	1.58	1.58

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
12 Non-current investments		
Unquoted Investment		
Equity instrument (Refer Footnote i) (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 (Refer Footnote ii)	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: 35%) of total shares capital of NDRAVG Business Park Private Limited, a Joint Venture Company.

(ii) Investment in limited liability partnership firm

	As at March 31, 2021	As at March 31, 2020
Investment in NDR AVG Logistics LLP		
Name of the partners	Share in profits (%)	
N D R Warehousing 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

13 Deferred tax asset, net

Major components of deferred tax arising on account of timing differences along with their movement as at March 31, 2021 are:

	As at March 31, 2021	Charge/ (benefit) for the year	As at March 31, 2020
Deferred tax assets/ (liabilities)			
Provision for retirement benefits	22.52	1.28	23.80
Provision for lorry advance	36.53	58.71	95.24
Provision for employee advance	3.27	2.21	5.48
Provision for doubtful debts	334.09	(223.04)	111.05
Provision for bonus	8.67	(0.18)	8.49
Deferred lease liability	86.68	(39.42)	47.26
Share Issue expense	33.04	16.51	49.55
Total (A)	524.78	(183.93)	340.87
Deferred tax liability			
On account of difference in depreciation as per the Income Tax Act, 1961 and depreciation and amortisation as per financial statements	(331.24)	121.46	(209.78)
Deferred leased asset	(48.56)	48.56	-
Total (B)	(379.80)	170.02	(209.78)
Net deferred tax assets/ (liabilities) (A - B)	144.99	(13.91)	131.09

14 Long term loans and advances

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Capital advances	0.72	38.66
Security deposits	201.14	188.48
Other loans and advances	252.00	277.00
Advance tax and tax deducted at source (Net of provision NIL (Previous Year: INR 762.17 lakhs))	1,037.28	487.75
	1,491.14	991.89

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

15 Other non current assets	As at March 31, 2021	As at March 31, 2020
Term deposits with banks*	21.49	41.87
Deferred lease income	192.93	-
	214.42	41.87
*Deposit are lien marked against Bank Gurantee and letter of credit		
16 Inventories	As at March 31, 2021	As at March 31, 2020
Consumables & spare parts (at cost)	35.19	69.35
	35.19	69.35
17 Trade receivables	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,172.29	1,950.44
Others	6,192.87	6,165.84
	8,365.16	8,116.28
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	1,327.43	441.22
Others	-	-
Less: provision for doubtful receivable	(1,327.43)	(441.22)
	-	-
	8,365.16	8,116.28
18 Cash and bank balances	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalent		
Bank balance in current account	132.13	203.26
Cash on hand	204.97	139.78
	337.10	343.04
Other bank balances		
Bank balance in term deposit account*	238.62	275.83
	575.72	618.87
*Deposit are lien marked against Bank Gurantee and letter of credit		
19 Short-term loans and advances	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Prepaid expenses	59.50	98.00
Advance to suppliers	1,039.15	731.22
Balance with government authorities	222.15	199.52
Other loans and advances	245.73	333.36
Security deposits	275.24	191.08
Lorry trip advance	1,377.50	1,814.88
Advance to employees	106.78	89.53
	3,326.05	3,457.59
Unsecured, Considered doubtful		
Lorry trip advance (refer note below)	131.61	378.42
Advance to employees	13.53	21.79
	145.15	400.21
Less: Provision for doubtful advances	(145.15)	(400.21)
	-	-
	3,326.05	3,457.59
Note: Provision for lorry trip advance as at March 31, 2020 amounting INR 378.42 lakhs has been written off in current financial year 2020-21.		
20 Other current assets	As at March 31, 2021	As at March 31, 2020
Unbilled revenue	1,052.56	734.80
Interest accrued on unsecured loan to other parties	207.93	153.60
Other receivables	20.98	31.65
	1,281.46	920.05

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
21 Revenue from operations		
Sale of products		
Traded goods- High sea sales (Refer note below)	-	3,334.51
Sale of Services		
Freight income	31,577.56	27,200.34
Warehousing income	1,587.74	1,498.90
Other Operating Revenue		
Sub-Lease income	173.95	194.49
	33,339.24	32,228.24

Note - Current year traded sales amounting to INR 996.31 lakhs has been netted off considering principal agency relationship and net profit has been disclosed in other income.

	Year ended March 31, 2021	Year ended March 31, 2020
22 Other income		
Interest income	83.31	93.58
Provision written back to the extent no longer required	8.26	0.20
Profit on sale of property, plant and equipment	1.06	36.68
Profit on sale of traded goods - high sea sales	5.59	-
Miscellaneous income	20.59	15.56
	118.81	146.02

	Year ended March 31, 2021	Year ended March 31, 2020
23 Purchases of traded goods		
Purchase of traded goods	-	3,296.00
Purchase of consumables	-	214.73
	-	3,510.73

	Year ended March 31, 2021	Year ended March 31, 2020
24 Change in inventories		
Opening stock	-	8.18
Less: Closing stock	-	(69.35)
	-	(61.17)

	Year ended March 31, 2021	Year ended March 31, 2020
25 Transportation expense		
Transportation expense*	26,579.29	21,838.25
	26,579.29	21,838.25

*Current year expense includes change in inventorised consumables amounting INR 34.16 lakhs

	Year ended March 31, 2021	Year ended March 31, 2020
26 Employee benefits expense		
Salaries, wages and bonus	1,009.14	1,170.31
Contribution to provident and other funds	69.58	70.59
Directors remuneration	119.90	132.00
Staff welfare expenses	35.51	36.03
	1,234.13	1,408.93

	Year ended March 31, 2021	Year ended March 31, 2020
27 Finance costs		
Interest on cash credit facility	258.85	345.51
Interest on truck loan and car loan	383.01	381.93
Interest on late deposit of statutory dues	220.45	89.07
Other borrowing costs	358.68	151.58
	1,220.99	968.09

AVG Logistics Limited
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

28 Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Business promotion	75.97	94.92
Bank charges	64.47	26.41
Repair & maintenance expenses- property, plant and equipment	368.16	179.71
Repair & maintenance expenses - others	58.98	62.33
Conveyance and travelling expenses	82.36	137.68
Electricity and water charges	28.26	34.99
Office expenses	131.14	95.76
Postage and courier expenses	21.50	20.63
Printing and stationery expenses	16.00	31.85
Rent expenses	1,582.24	1,549.14
Director sitting fees	10.00	6.70
Rates and taxes	29.61	6.72
Legal and professional charges (Refer note 29)	141.52	115.57
Commission expenses	23.31	14.18
Donation	6.87	24.29
Provision for doubtful debts	886.01	216.97
Bad debts written off	211.21	-
Provision for lorry advance*	131.62	378.42
Lorry trip advance written off	100.60	-
Provision for employee advances	-	21.79
Corporate social responsibility activities (Refer note 38)	21.87	22.08
Advances written off	12.24	-
Miscellaneous expenses	77.68	79.48
	4,081.62	3,119.62

*Provision for lorry trip advance as at March 31, 2020 amounting INR 378.42 lakhs has been written off in current financial year 2020-21.

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29 Payment to auditors (excluding taxes)

	Year ended March 31, 2021	Year ended March 31, 2020
In capacity as auditor		
Statutory audit*	22.50	10.00
Limited review	6.00	6.00
Certification work	1.30	-
Reimbursement of expenses	0.49	0.70
	30.29	16.70

*Audit fees in financial year 2020-21 includes INR 750,000 in respect of cost overrun for financial year 2019-20.

30 Prior period expense/ (Income)

	Year ended March 31, 2021	Year ended March 31, 2020
Legal & Professional charges	2.77	13.64
Salaries, wages and bonus	-	1.90
Repair & Maintenance	6.83	2.98
Rent expenses	-	14.86
Sub-Lease income	(102.10)	(10.26)
Miscellaneous expenses	1.52	-
Rates and taxes	0.53	-
Interest Income	(20.08)	-
Commission on sales	3.06	-
Electricity expenses	5.04	-
Postage and courier expenses	1.30	-
Freight Income	(6.21)	-
Conveyance and travelling expenses	1.84	-
Printing and stationery	0.42	-
Office Expenses	3.21	-
Business Promotion	0.98	-
	(100.89)	23.12

31 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) Associate	NDRAVG Business Park Private Limited NDR AVG Logistics LLP
<u>(ii) Enterprises over which the key management personnel exercise significant influence and/or control</u>	
Directors are partner of the firm	MA Enterprises
Director has control	PCG Logistics Private Limited NDR AVG Logistics LLP
Director is partner of the Limited liability partnership	Maple Packaging and Logistics
Director is partner of the Partnership firm	SVJ Developers Private Limited (till September 01, 2019)
Director has significant influence	
<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 November 12, 2019)
Chief Financial Officer	Gurpreet Singh Luthra (with effect from November 13, 2019)
Company Secretary	Laveena Jain (till October 12, 2021)
(iv) Relative of Key management Person (KMP)	
Son of Sanjay Gupta and Asha Gupta	Vinayak Gupta

B. Transaction with related parties

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<u>Transportation expenses</u>		
Enterprises over which the key management personnel have the significant influence		
MA Enterprises	3.92	4.18
<u>Short-term loans and advances given</u>		
Associate		
NDRAVG Business Park Private Limited	-	1.50
<u>Payment received of loan and advances</u>		
Enterprises over which the key management personnel have the significant influence		
SVJ Developers Private Limited	-	175.00
Associate		
NDRAVG Business Park Private Limited	-	61.31
<u>Short-term borrowings</u>		
Associate		
NDRAVG Business Park Private Limited	-	324.70
<u>Other payables</u>		
Associate		
NDRAVG Business Park Private Limited	-	178.68
<u>Interest income</u>		
Enterprises over which the key management personnel have the significant influence		
SVJ Developers Private Limited	-	22.38
<u>Freight income</u>		
Enterprises over which the key management personnel have the significant influence		
PCG Logistics Private Limited	31.77	147.96
<u>Directors' remuneration</u>		
Key management personnel (KMP)		
Sanjay Gupta	65.40	72.00
Asha Gupta	54.50	60.00
<u>Salaries and wages</u>		
Key management personnel and its relatives		
Vinayak Gupta	42.60	48.00
Arun Kumar Goel	-	14.88
Gurpreet Singh Luthra	34.64	23.17
Laveena Jain	4.83	-

C. Balance outstanding as at year end:

Particulars	As at 31 March 2021	As at 31 March 2020
<u>Other payable:</u>		
Enterprises over which the key management personnel have the significant influence		
NDR AVG Logistics LLP	6.25	6.25
MA Enterprises	1.52	-
Associate		
NDRAVG Business Park Private Limited	178.68	178.68
<u>To Key management personnel (KMP) and its relatives:</u>		
Sanjay Gupta	5.47	0.03
Asha Gupta	6.52	0.18
Arun Kumar Goel	-	0.78
Gurpreet Singh Luthra	5.22	4.77
<u>Short-term borrowings</u>		
Associate		
NDRAVG Business Park Private Limited	324.70	324.70
Advance to employees		
<u>To Key management personnel (KMP) and its relatives:</u>		
Vinayak Gupta	7.42	7.58
<u>Balance receivables</u>		
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
Maple Packaging and Logistics	0.51	0.38
PCG Logistics Private Limited - Trade receivable	84.43	4.17
SVJ Developers Private Limited - Loan receivable	-	277.00
SVJ Developers Private Limited - Interest receivable	-	83.51

32 Earnings per share

	Year ended March 31, 2021	Year ended March 31, 2020
	Profit after tax attributable to equity shareholders - A	(176.33)
Number of equity shares outstanding during the year - B	11,775,271	10,298,000
Weighted average number of equity shares outstanding during the year - B	11,168,173	10,298,000
Basic Earnings per share - (A/B)	(1.58)	4.35
Diluted Earnings per share - (A/B)	(1.58)	4.35
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.

33 Leases

The Company has taken certain premises for office use of its employees and for sub lease purposes under operating lease 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 426.46 lakhs (previous year INR 392.62 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	As at 31 March 2021	As at 31 March 2020
Payable within one year	210.91	135.24
Payable between one and five years	989.90	737.92
Payable later than five years	1,402.86	1,243.59
	2,603.67	2,116.75

34 Contingent liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Claims against the Company not acknowledged as debt	-	51.63
Interest and other charges on late payment of instalments (Refer footnote i)	85.43	85.43
Bank Guarantee	578.44	465.34
	663.87	602.40

Footnote :

(i) 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 instalments(EMI), which is subject to final negotiation and settlement with Banks and financial Institutions.

35 Capital and other commitments

Particulars	As at	As at
	31 March 2021	31 March 2020
Estimated amount of contracts remaining to be executed on capital account Net of advances of INR 0.72 lakhs and Capital work in progress of INR 222.19 lakhs (Previous year net of advances of INR 23.23 lakhs and Capital work in progress of INR 1,622.53 lakhs)	18.53	449.49
Total capital commitments	18.53	449.49

36 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	As at	As at
	31 March 2021	31 March 2020
Employers contribution to provident fund	55.10	51.70
Employers contribution to employee state insurance and other fund	14.48	18.89
Total	69.58	70.59

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 rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarized position of defined benefit plan is as under:

A. Actuarial assumptions

Particulars	As at	As at
	31 March 2021	31 March 2020
Discount rate (per annum)	5.79%	5.66%
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 (2012-14)
Withdrawal rate	32.00%	23.00%

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	As at	As at
	31 March 2021	31 March 2020
Opening present value of obligation	88.55	58.41
Interest cost	5.01	4.26
Past service cost	-	-
Current service cost	14.45	17.90
Benefits paid	-	-
Actuarial loss/ (gain) on obligation	(24.63)	7.98
Closing present value of obligation	83.38	88.55

C. Expense recognised in the Statement of Profit and Loss

Particulars	As at	
	31 March 2021	31 March 2020
Current service cost	14.45	17.90
Interest cost	5.01	4.26
Past service cost	-	-
Net actuarial loss/(gain) to be recognized	(24.63)	7.99
Expense recognised in the Statement of Profit and Loss (Refer note below)	(5.17)	30.15

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

Particulars	As at	
	31 March 2021	31 March 2020
Present value of defined benefit obligation	83.38	88.55
Fair value of plan assets	-	-
Net funded status	(83.38)	(88.55)

Recognised under:

Short term provision (Refer note 10)	18.54	21.53
Long term provision (Refer note 6)	64.85	67.03

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

Particulars	Year ended	Year ended	Year ended	Year ended March	Year ended March 31,
	March 31, 2021	March 31, 2020	March 31, 2019	31, 2018	2017
PBO	83.38	88.55	58.41	53.93	-
Plan assets	-	-	-	-	-
Net assets/(liability)	(83.38)	(88.55)	(58.41)	(53.93)	-
Experience gain/(loss) on PBO	24.63	(7.98)	13.32	-	-
Experience gain/(loss) on plan assets	-	-	-	-	-

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

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Gratuity	20.24	24.11

37 Segment reporting

Primary segment

In the current year, the Company's business activity falls in primarily into one segment only i.e. Logistic business. The Company operates mainly in Transportation, warehousing business and other value added services. The Company has considered one reportable segment and considering transactions individually and collectively for other small segments are less than 10% of total revenue, internal and external of all segments accordingly separate disclosure are not required as per Accounting Standard 17, 'Segment Reporting'.

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
A. Segment Revenue		
Logistics business	33,458.05	28,893.73
Trading	-	3,334.51
Total Revenue from operations	33,458.05	32,228.24
B. Segment Results		
Expenses		
Logistics business	33,694.06	597.46
Trading	-	38.51
Total	33,694.06	635.97
Profit before tax	(236.01)	635.97
C. Segment Assets		
Logistics business	22,995.48	19,839.64
Trading	-	1,057.54
Total	22,995.48	20,897.18
D. Segment Liabilities		
Logistics business	15,147.73	12,347.10
Trading	-	1,176.00
Total	15,147.73	13,523.10

38 Corporate social responsibility (CSR)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Gross amount required to be spent	21.15	21.20
B. Amount spent during the year (Refer foot note)	21.87	22.08
Footnote		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i) Construction/acquisition of assets	5.00	11.75
(ii) Other revenue expenses	16.87	10.33
	21.87	22.08

- C. The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
D. The Company does not wish to carry forward any excess amount spent during the year.
E. The Company does not have any ongoing projects as at March 31, 2021.

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

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

41 During the previous year, the Company has exercised the option permitted under section 115BAA of the Income Tax Act 1961 as introduced by the Taxman Laws (Amendment) Ordinance 2019. Accordingly the estimates of tax expenses for the year ended March 31, 2020 have been remeasured.

42 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company provides logistics services to customer majorly dealing in "essential commodity" and major operations of the Company are dependent upon the demand from these customers. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and the actuals may differ from the estimate considered in these financial statements. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no significant impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the standalone financial statements.

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

44 During the current year, Management revised the estimated useful life of Trucks from 6 years to 10 years. The remaining estimated useful life of trucks were measured with effect from October 01, 2020 to arrive at remaining expected service life of the assets. This change in the useful life of Trucks resulted in reduction in current year's depreciation charge by INR 196.61 lakhs. Had the Company continued with the old useful life of Trucks, the depreciation and amortisation expenses would have been INR 875.20 lakhs.

45 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13 November 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

46 As per the requirement of section 203(1) of the Companies Act, 2013, the Company did not have a company secretary at the time of signing of these financial statements and the Company in the process of appointing the same as per time limit under The Companies Act 2013.

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

As per our report of even date
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

Gurpreet Singh Luthra
Chief Financial Officer

Place: Bikaner, Rajasthan
Date: October 27, 2021

Place: Delhi
Date: October 27, 2021

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 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, 2021 were approved by the Board of Directors on October 27, 2021.

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
Building - RCC frame structure	60
Building - other than RCC frame structure	30
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Trucks	6 (till September 30, 2020)
Trucks	10 (w.e.f. October 01, 2020)

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)

The Company performs assessment of useful life of property, plant & equipment once a year, generally at each year end.

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 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.

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 assets 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 assets 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 recognized 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. The consumption of such inventories is accounted for as transportation cost in the financial statements.

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 share 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 recognized 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 recognized 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 recognized net of Goods and service tax.

Interest income

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

Dividend income

Dividend is recognized 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 expenses in the Statement of Profit and Loss in the period in which the employee renders the relevant service.

Short-term leaves- Encashable

The employee 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 Scheme, 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 payment 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 obligation are to be settled. The resultant actuarial gain or loss on charge 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.

xii. Inventories

Stock of Spare Parts, Tyers 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 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 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.

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 event occurring after the balance sheet date are taken into cognizance.

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 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, 2021, and the Consolidated Statement of Profit and Loss and 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, 2021, consolidated loss and its consolidated cash flows for the year then ended.

Basis for Opinion

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:

Note 42 which states that management 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, 2021 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	Revenue Recognition 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.	Our audit procedures in respect of this area include but are not limited to: <ol style="list-style-type: none">1. Assessing the compliance of revenue recognition accounting policies, including those relating to discounts and rebates;2. Performing 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;3. 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;4. Performed analytical procedures for reasonableness of incurred and estimated efforts.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		5. Testing the appropriate evidence in case of cash transactions.
2	<p>Trade receivables</p> <p>The Company assesses the recovery of all the debit balances. Further, the balances which are long outstanding are actively pursued. Management creates provision for doubtful debts basis facts and circumstances of each case and the ageing of the debit balance. We have determined this matter to be key audit matter.</p>	<p>Our audit procedures in respect of this are included but not limited to:</p> <ol style="list-style-type: none"> 1. Obtained the listing and ageing of the trade receivables and traced their balances to consolidated financial statements. 2. Performed the balance confirmation procedures and alternate procedures where we did not receive response to our balance confirmation requests. 3. Assessed the basis of management's judgement regarding allowance made against aged balances and those balances assessed as unrecoverable by the management. 4. Assessed the appropriateness of presentation/disclosure in the consolidated financial statements. 5. Verified subsequent recovery of Trade receivables by tracing them in the books of accounts and bank statement on sample basis.
3	<p>Lorry trip advances</p> <p>The Company has outstanding lorry trip advances which are given to truck drivers for meeting transportation expenses. Any excess amount is required to be refunded back or adjusted from subsequent trips. Allowance for doubtful of recovery 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.</p>	<p>Our audit procedures in respect of this are included but not limited to:</p> <ol style="list-style-type: none"> 1. Obtained the listing and ageing of the lorry advances and traced their balances to consolidated financial statements. 2. Assessed the basis of management's judgement regarding allowance made against long outstanding balances. 3. Assessed the appropriateness of presentation/disclosure in the consolidated financial statements. 4. Verified settlement of lorry advances during the year

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

The consolidated financial statements also include the Company's share of net profit of INR 4.28 Lakhs for the year ended March 31, 2021, 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, 2021 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, 2021 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 Company does not have any pending litigations which would impact its financial positions.
 - 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: 21094518AAAADH5671

Place: Bikaner, Rajasthan
Date: October 27, 2021

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.: 095518
UDIN: 21094518AAAADH5671

Place: Bikaner, Rajasthan
Date: October 27, 2021

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 consolidated Financial Statements for the year ended March 31, 2021]

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, 2021, 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, 2021:

1. In case of 'Lorry Trip Advance', the Company does not have a process in place to timely reconcile the advance paid with expense settlement. Such weakness could potentially result in recognition of expenses in the inappropriate period.
2. The Company did not have a robust policy in respect to KYC documentation of cash receipts and payment. In the absence of adequate control over cash management system, there could be inappropriate recording of cash transactions.
3. The Company does not have formal period end closure process to account for adjustment specifying the period end activities that are required to be carried out by a Company, including period-end cut offs, assessment of doubtful debts, reconciliation of key balances. Without a formal process of financial statement closure process, ensuring processing of the documents accurately and maintaining consistency may be difficult.
4. The Company has given loans to third parties on agreed terms and conditions. The Company does not have a robust cash management policy to decide on providing funding to third parties

and timing of recovery of such loans. Absence of cash management policy may potentially have an impact on the recovery of such loans.

5. In case of advance to supplier, the Company does not have an appropriate internal control system for 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, 2021, 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, 2021 consolidated financial statements of the Company, and these material weaknesses does not affect our opinion on the consolidated 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 consolidated financial statements does not include our opinion on adequacy and operating effectiveness of the internal financial control of the associate entities.

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

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAADH5671

Place: Bikaner, Rajasthan
Date: October 27, 2021

AVG Logistics Limited
Consolidated Balance Sheet as at March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,177.53	1,029.80
Reserves and surplus	3	6,682.50	6,352.28
		7,860.03	7,382.08
Non-current liabilities			
Long-term borrowings	4	3,861.97	2,777.85
Other long term liabilities	5	393.31	252.19
Long term provisions	6	64.85	67.03
		4,320.13	3,097.07
Current liabilities			
Short-term borrowings	7	4,715.05	3,678.71
Trade payables	8		
(i) total outstanding dues of micro enterprises and small enterprises; and		-	14.90
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,715.55	2,733.09
Other current liabilities	9	4,337.96	3,938.08
Short-term provisions	10	59.04	61.25
		10,827.60	10,426.03
		23,007.76	20,905.18
ASSETS			
Non-current assets			
Property, plant and equipments	11(a)	6,351.51	3,923.01
Intangible assets	11(b)	1.58	3.85
Capital work-in-progress	11(a)	222.19	1,637.26
Non-current investments	12	998.35	994.07
Deferred tax assets (Net)	13	144.99	131.09
Long term loans and advances	14	1,491.14	991.89
Other non current assets	15	214.42	41.87
		9,424.18	7,723.04
Current assets			
Inventories	16	35.19	69.35
Trade receivables	17	8,365.16	8,116.28
Cash and bank balances	18	575.72	618.87
Short-term loans and advances	19	3,326.05	3,457.59
Other current assets	20	1,281.46	920.05
		13,583.58	13,182.14
		23,007.76	20,905.18

Summary of significant accounting policies

1(b)

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

As per our report of even date
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

Gurpreet Singh Luthra
Chief Financial Officer

Place: Bikaner, Rajasthan
Date: October 27, 2021

Place: Delhi
Date: October 27, 2021

AVG Logistics Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	21	33,339.24	32,228.24
Other income	22	118.81	146.02
		33,458.05	32,374.26
Expenses			
Purchases of traded goods	23	-	3,510.73
Change in inventories	24	-	(61.17)
Transportation expense	25	26,579.29	21,838.25
Employee benefits expense	26	1,234.13	1,408.93
Finance costs	27	1,220.99	968.09
Depreciation and amortization expense	11	678.44	930.72
Other expenses	28	4,082.10	3,119.62
		33,794.95	31,715.17
(Loss)/Profit before tax and prior period adjustments		(336.90)	659.09
Prior period (income)/ expenses (net)	30	(100.89)	23.12
(Loss)/Profit before tax		(236.01)	635.97
Tax expense:			
(1) Current tax		-	289.83
(2) Prior period tax/(credit)		(45.77)	8.44
(3) Deferred tax charge/(credit)		(13.91)	(110.27)
(Loss)/ Profit for the year		(176.33)	447.97
Share of profit from associate		4.46	70.97
Share of (loss) from enterprise		(0.18)	(0.40)
(Loss)/ Profit for the year		(172.05)	518.54
Earning per equity share (nominal value of Share INR 10 (Previous year INR 10))			
(1) Basic	32	(1.58)	4.35
(2) Diluted	32	(1.58)	4.35
Summary of significant accounting policies	1(b)		

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

As per our report of even date
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

Gurpreet Singh Luthra
Chief Financial Officer

Place: Bikaner, Rajasthan
Date: October 27, 2021

Place: Delhi
Date: October 27, 2021

AVG Logistics Limited
Consolidated Cash Flow Statement for the year ended March 31, 2021
(All amount in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Net (loss)/ profit before tax	(236.01)	635.97
Adjustments for:		
Depreciation and amortisation	678.44	930.72
Profit on sale of property, plant and equipment (net)	(1.06)	(36.68)
Finance costs	1,220.99	968.09
Interest income	(83.31)	(93.58)
Provision written back to the extent no longer required	(8.26)	(0.20)
Provision for doubtful debts	886.01	216.97
Bad debts written off	211.21	-
Provision for lorry advance	131.62	378.42
Lorry advance written off	100.60	-
Provision for employee advances	-	21.79
Operating cash flows before working capital changes	2,900.23	3,021.50
Adjustments for changes in working capital :		
(Decrease)/ increase in trade payables	(1,024.19)	1,784.58
(Decrease)/ increase in provisions	(4.39)	38.61
(Decrease)/ increase in other liabilities	(99.79)	405.37
(Increase)/ Decrease in trade receivables	(1,346.09)	(1,286.52)
(Increase)/ Decrease in loans and advances	(207.79)	(880.90)
Decrease/ (Increase) in inventories	34.16	(61.17)
(Increase)/ Decrease in other current and non-current assets	(307.09)	(288.95)
Cash (used in) / generated from operations	(54.95)	2,732.52
Taxes paid (net)	(503.76)	(677.89)
Net cash (used in) / generated from operating activities	(558.71)	2,054.63
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	(1,729.49)	(1,974.30)
Proceeds from / (Investment) in deposits	(57.59)	(161.54)
Proceeds from sale of Property, Plant and Equipment	25.04	104.51
Loans given to related Parties	-	(1.00)
Loans repaid by related Parties	-	60.81
Loans repaid by others parties	87.63	274.91
Interest received	28.98	19.60
Net cash used in investing activities	(1,645.43)	(1,677.01)
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital including securities premium	650.00	-
Proceeds from long-term borrowings	2,252.29	1,563.10
Repayment of long-term borrowings	(808.63)	(1,431.13)
Proceeds from short-term borrowings (net)	1,036.34	585.24
Interest paid	(931.80)	(987.53)
Net cash generated from / (used in) financing activities	2,198.20	(270.32)
Net increase in cash and cash equivalents (A+B+C)	(5.95)	107.30
Cash and cash equivalents at beginning of year	343.04	235.74
Cash and cash equivalents at end of the year	337.09	343.04

AVG Logistics Limited
Consolidated Cash Flow Statement for the year ended March 31, 2021
(All amount in INR Lakhs, unless otherwise stated)

Components of cash and cash equivalents (Refer note 18):

Cash on hand	204.97	139.78
Balances with banks:		
On current accounts	132.13	203.26
	<u>337.10</u>	<u>343.04</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

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

Amit Mitra
Partner
Membership Number: 094518

Sanjay Gupta **Asha Gupta**
Managing Director Director
DIN: 00527801 DIN: 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Place : Bikaner, Rajasthan
Date : October 27, 2021

Place: Delhi
Date: October 27, 2021

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, 2021		As at March 31, 2020	
	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)	11,775,271	1,177.53	10,298,000	1,029.80
	11,775,271	1,177.53	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, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	10,298,000	1,029.80	10,298,000	1,029.80
Add: Additional shares issued during the year	1,477,271	147.73	-	-
Outstanding at the end of the year	11,775,271	1,177.53	10,298,000	1,029.80

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	Number	Percentage	Number	Percentage
Mr. Sanjay Gupta	1,716,700	14.58%	1,232,500	11.97%
Mrs. Asha Gupta	5,482,500	46.56%	5,482,500	53.24%
Sixth Sense India Opportunities II	2,826,327	24.00%	1,803,600	17.51%

The above information is furnished as per the shareholder register as on March 31, 2021.

(c) 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.

(d) 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.

(e) The Company has issued 1,477,271 equity shares of INR 10 each at a premium of INR 34 each, total amounting INR 650 Lakhs under preferential allotment dated August 29, 2020. The amount has been raised and utilised for working capital purposes.

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

3 Reserves and surplus		As at March 31, 2021	As at March 31, 2020
Securities premium			
Opening balance		2,659.52	2,659.52
Add: Premium on issue of shares		502.27	-
Closing balance		3,161.79	2,659.52
Surplus in Statement of Profit and Loss			
Opening balance		3,692.76	3,174.22
Add: (Loss)/ Profit for the year		(172.05)	518.54
Closing balance		3,520.71	3,692.76
		6,682.50	6,352.28
4 Long-term borrowings		As at March 31, 2021	As at March 31, 2020
Secured loan			
Term loans from bank including vehicle loan		3,708.34	2,032.39
Less : Disclosed as "Other current liabilities" (Refer note 9)		(953.97)	(584.83)
Term loans from Non banking financial institutions (NBFC)		2,034.10	2,266.39
Less : Disclosed as "Other current liabilities" (Refer note 9)		(926.50)	(936.10)
		3,861.97	2,777.85

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, 2021	As at March 31, 2020
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	1,054.46	957.15
2	Punjab National Bank	Repayable in 18 installments with ROI 8.25%	The primary security is book debts and stock.	273.61	-
3	Punjab National Bank	Working Capital Term Loan under Emergency Credit Line Guarantee Scheme (ECLGS 2.0) with interest rate 8.35% and repayable in 60 monthly installments.	Charge over present and future current assets of the company. Additional WCL shall rank as second charge in terms of cash flows and security. Facility under this scheme is secured through gurantee coverage from NCGTC.	750.00	-
4	Indian Bank	Repayable in 72 monthly installments starting from April 1, 2020 with ROI 9.95%	1.Hypothecation of commercial vehicle (Truck). 2. Hypothecation of fixed assets of the Company which are not exclusively charged to any other banks	209.68	-
Vehicle Loan from banks and NBFC					
5	IndusInd Bank Limited	Repayable in monthly installments ranging from 46 to 47 months with ROI ranging from 9.95% to 10.50%.	Hypothecation of vehicle (Truck)	646.71	523.94
6	HDB financial Services Limited	Repayable in monthly installments ranging from 35 to 53 months with ROI ranging from 10.40% to 11%.	Hypothecation of vehicle (Truck)	60.62	91.69
7	Hinduja Leyland Finance Limited	Repayable in monthly installments ranging from 40 to 53 months with ROI ranging from 10.01% to 14.3%.	Hypothecation of vehicle (Truck)	398.60	493.70
8	ICICI Bank Limited	Repayable in monthly installments ranging from 34 to 52 months with ROI ranging from 9.4% to 11%.	Hypothecation of vehicle (Truck)	532.06	269.37
9	India Infoline Finance Limited	Repayable in monthly installments ranging from 23 to 40 months with ROI ranging from 12% to 13%.	Hypothecation of vehicle (Truck)	27.01	65.23
10	Kotak Mahindra Bank Limited	Repayable in monthly installments ranging from 35 to 50 months with ROI ranging from 10% to 12.63%.	Hypothecation of vehicle (Truck)	149.64	241.61
11	Mahindra and Mahindra Finance	Repayable in 52 monthly installments with ROI 11.51%.	Hypothecation of vehicle (Truck)	137.97	157.13

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts 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, 2021	As at March 31, 2020
12	Sundaram Finance Limited	Repayable in 50 to 60 monthly installments with ROI ranging from 9.96% and 11.96%.	Hypothecation of vehicle (Truck)	552.95	515.81
13	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	Tata Motors Finance Limited	Repayable in monthly installments ranging from 34 to 52 months with ROI ranging from 8.88% and 10.54%.	Hypothecation of vehicle (Truck)	277.30	198.82
15	Volkswagen Finance Private Limited	Repayable in monthly installments ranging from 36 to 48 months with ROI 10% and 10.5%	Hypothecation of vehicle (Truck)	573.21	684.07
		Repayable in 60 monthly installments with ROI 10.25%.	Hypothecation of vehicle (Car)	-	0.50
16	Punjab National Bank	Repayable in monthly installments ranging from 60 to 84 months with ROI ranging from 7.40% and 10%.	Hypothecation of vehicle (Car)	18.62	8.87
17	Union Bank of India	Repayable in 48 monthly installments with ROI 10.7%.	Hypothecation of vehicle (Car)	0.86	5.67
18	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)	19.60	22.86
19	HDFC Bank	Repayable in 36 monthly installments with ROI 11.25%	Hypothecation of vehicle (Car)	1.72	2.93
20	Indian Bank	Repayable in 72 monthly installments with ROI 7.90%	Hypothecation of vehicle (Car)	10.14	-
21	Equitas Small Finance Bank	Repayable in 50 monthly installments with ROI 11%.	Hypothecation of vehicle (Truck)	47.67	57.36
Total				5,742.44	4,298.78

AVG Logistics Limited
Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
5 Other long term liabilities		
Security deposits	48.93	64.43
Deferred lease liability	344.39	187.76
	393.31	252.19
6 Long term provisions		
Provision for gratuity	64.85	67.03
	64.85	67.03
7 Short-term borrowings		
Secured loan		
- From Banks	4,390.35	3,354.01
Unsecured loan		
- From associate Company	324.70	324.70
	4,715.05	3,678.71

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, 2021	As at March 31, 2020
Cash credit from banks					
1	Indian Bank	Repayable on demand with ROI 10.45%	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) Collateral - 1. EM of all properties mortgaged in PNB. Paripassu with PNB (Sharing ratio is 61.50:10) 2. Other assets (e.g. LIC Policies) paripassu with PNB (Sharing ratio is 61.50:10) 3. Industrial plot (plot no. 149 (P), 150 (P) and 151 (P), out of Khaitan no. 9243 and 149, 151, 153, 154, 176 out of khaitan no. 9075) at R.K. Nagar Industrial Park area at Bodhjungnagar, Agartala, West Tripura with Land area of 24205 sq. metres/ 6 acres (lease period 30 years) having purchase cost of Rs. 0.3347 crores and building built /to be built thereon including all fixtures. Total Area mortgaged is 6 acres. Second Paripassu with PNB for exposure of 60.00 crores i.e. after deducting TL of Rs. 11.50 crores for which it is a primary security. 4. Industrial plot at plot no. 103, Adakanahalli Industrial Area, Mysore, Karnataka measuring 7749 sq metres (lease period 99 years) having purchase cost of Rs. 1.6604 crores and building built/ to be built thereon including all fixtures. Second Paripassu with PNB for exposure of 60.00 crores i.e. after deducting TL of Rs. 11.50 crores for which it is a primary security. 5. Residual value on these two warehouses after considering existing term loan of PNB of Rs. 11.50 cr. Second Paripassu with PNB (sharing ratio is 50:10)	773.15	-
2	Punjab National Bank	Repayable on demand with ROI 11.95%	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)	1,083.47	3,354.01
3	Punjab National Bank	Repayable in 3 installments starting from January 2021 with ROI 12.99%	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	33.73	-

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

4	Punjab National Bank	Foreign currency loan repayable in 3 installments starting from January 2021 with ROI LIBOR +3.10% +Forward premium	First Parri passu charge on Book debts arising out of genuine trade transactions including advances to suppliers and other current assets with other consortium member bank	2,500.00	-
Total				4,390.35	3,354.01

8 Trade payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	-	14.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,715.55	2,733.09
	1,715.55	2,747.99

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier as at March 31, 2021 are as follows:

Particulars	As at	As at
	March 31, 2021	March 31, 2020
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
- Principal amount	-	14.90
- 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		
	As at	As at
	March 31, 2021	March 31, 2020
Current maturities of long term borrowings	1,880.47	1,520.93
Payable in respect of purchase of property, plant and equipment	164.25	139.97
Goods and Service tax	1,152.18	1,537.01
Other statutory dues	38.04	53.15
Interest accrued and due on borrowings	263.42	5.94
Interest accrued but not due on borrowings	15.60	16.11
Other payables	202.80	198.93
Employees benefits payable	143.45	180.77
Advance from customers	108.57	13.29
Interest payable on statutory dues	184.54	188.41
Security deposits	184.65	83.57
	4,337.96	3,938.08
10 Short-term provisions		
	As at	As at
	March 31, 2021	March 31, 2020
- Provision for leave encashment	6.08	5.99
- Provision for gratuity	18.54	21.53
- Provision for other employee benefits	34.43	33.73
	59.04	61.25

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

11 (a). Property, plant and equipment

Particular	Freehold land	Leasehold land	Vehicle*	Trucks*	Furniture & fixtures	Office equipment	Building - RCC frame structure*	Building - other than RCC frame structure*	Computers	Total	Capital work in progress
Gross block											
As at April 01, 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
Disposals	-	-	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
Addition	-	-	34.09	807.32	7.65	18.31	1,184.24	1,064.37	14.93	3,130.91	222.19
Disposals	-	-	9.97	126.49	-	0.15	-	-	-	136.61	1,637.26
As at March 31, 2021	192.06	35.88	322.73	7,478.35	78.07	203.91	1,184.24	1,064.37	89.91	10,649.52	222.19
Accumulated depreciation											
As at April 01, 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	
Charge for the year (refer note 44)	-	1.14	27.98	587.31	6.72	20.62	10.27	13.58	8.54	676.16	
Disposals	-	-	8.50	101.96	-	0.05	-	-	-	110.51	
As at March 31, 2021	-	4.05	185.70	3,843.63	34.38	137.90	10.27	13.58	68.35	4,297.86	
Net block											
As at March 31, 2020	192.06	32.97	132.39	3,439.24	42.76	68.42	-	-	15.17	3,923.01	
As at March 31, 2021	192.06	31.83	137.03	3,634.72	43.69	66.01	1,173.97	1,050.79	21.56	6,351.51	

* Refer note 4 for information related to property, plant and equipment pledged as security by the Company.

11 (b). Intangible assets

Particular	Software	Total
Gross block		
As at April 01, 2019	9.42	9.42
Addition	-	-
Disposals	-	-
As at March 31, 2020	9.42	9.42
Addition	-	-
Disposals	-	-
As at 31 March 2021	9.42	9.42
Accumulated amortisation		
As at April 01, 2019	3.29	3.29
Charge for the year	2.28	2.28
Disposals	-	-
As at March 31, 2020	5.57	5.57
Charge for the year	2.28	2.28
Disposals	-	-
As at March 31, 2021	7.85	7.85
Net block		
As at March 31, 2020	3.85	3.85
As at March 31, 2021	1.58	1.58

12 Non-current investments

	As at March 31, 2021	As at March 31, 2020
Unquoted Investment		
Equity instrument (Refer Footnote i) (9,845,697 Equity Shares of INR 10 each fully paid-up in NDRAVG Business Park Private Limited)	992.58	921.61
Share in profit of associaite	4.46	70.97
	<u>997.04</u>	<u>992.58</u>
Investment in capital of Limited Liability Partnership		
NDR AVG Logistics LLP (Refer Footnote ii)	1.49	1.89
Share in loss of enterprise	(0.18)	(0.40)
	<u>1.31</u>	<u>1.49</u>
	<u>998.35</u>	<u>994.07</u>
Aggregate amount of unquoted non-current investment	998.35	994.07
Aggregate provision made for diminution in value of investment	-	-

Footnote:

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

(ii) Investment in limited liability partnership firm

	As at March 31, 2021	As at March 31, 2020
Investment in NDR AVG Logistics LLP		
Name of the partners	Share in profits (%)	
N D R Warehousing 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

13 Deferred tax asset, net

Major components of deferred tax arising on account of timing differences along with their movement as at March 31, 2021 are:

	As at March 31, 2021	Charge/ (benefit) for the year	As at March 31, 2020
Deferred tax assets/ (liabilities)			
Provision for retirement benefits	22.52	1.28	23.80
Provision for lorry advance	36.53	58.71	95.24
Provision for employee advance	3.27	2.21	5.48
Provision for doubtful debts	334.09	(223.04)	111.05
Provision for bonus	8.67	(0.18)	8.49
Deferred lease liability	86.68	(39.42)	47.26
Share Issue expense	33.04	16.51	49.55
Total (A)	<u>524.78</u>	<u>(183.93)</u>	<u>340.87</u>
Deferred tax liability			
On account of difference in depreciation as per the Income Tax Act, 1961 and depreciation and amortisation as per financial statements	(331.24)	121.46	(209.78)
Deferred leased asset	(48.56)	48.56	-
Total (B)	<u>(379.80)</u>	<u>170.02</u>	<u>(209.78)</u>
Net deferred tax assets/ (liabilities) (A - B)	<u>144.99</u>	<u>(13.91)</u>	<u>131.09</u>

14 Long term loans and advances

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Capital advances	0.72	38.66
Security deposits	201.14	188.48
Other loans and advances	252.00	277.00
Advance tax and tax deducted at source (Net of provision NIL (Previous Year: INR 762.17 lakhs))	1,037.28	487.75
	<u>1,491.14</u>	<u>991.89</u>

AVG Logistics Limited
Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

15 Other non current assets	As at March 31, 2021	As at March 31, 2020
Term deposits with banks*	21.49	41.87
Deferred lease income	192.93	-
	214.42	41.87
*Deposit are lien marked against Bank Gurantee and letter of credit		
16 Inventories	As at March 31, 2021	As at March 31, 2020
Consumables & spare parts (at cost)	35.19	69.35
	35.19	69.35
17 Trade receivables	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,172.29	1,950.44
Others	6,192.87	6,165.84
	8,365.16	8,116.28
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	1,327.43	441.22
Others	-	-
Less: provision for doubtful receivable	(1,327.43)	(441.22)
	8,365.16	8,116.28
18 Cash and bank balances	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalent		
Bank balance in current account	132.13	203.26
Cash on hand	204.97	139.78
	337.10	343.04
Other bank balances		
Bank balance in term deposit account*	238.62	275.83
	575.72	618.87
*Deposit are lien marked against Bank Gurantee and letter of credit		
19 Short-term loans and advances	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Prepaid expenses	59.50	98.00
Advance to suppliers	1,039.15	731.22
Balance with government authorities	222.15	199.52
Other loans and advances	245.73	333.36
Security deposits	275.24	191.08
Lorry trip advance	1,377.50	1,814.88
Advance to employees	106.78	89.53
	3,326.05	3,457.59
Unsecured, Considered doubtful		
Lorry trip advance (refer note below)	131.61	378.42
Advance to employees	13.53	21.79
	145.15	400.21
Less: Provision for doubtful advances	(145.15)	(400.21)
	3,326.05	3,457.59
Note: Provision for lorry trip advance as at March 31, 2020 amounting INR 378.42 lakhs has been written off in current financial year 2020-21.		
20 Other current assets	As at March 31, 2021	As at March 31, 2020
Unbilled revenue	1,052.56	734.80
Interest accrued on unsecured loan to other parties	207.93	153.60
Other receivables	20.98	31.65
	1,281.46	920.05

AVG Logistics Limited
Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
21 Revenue from operations		
Sale of products		
Traded goods- High sea sales (Refer note below)	-	3,334.51
Sale of Services		
Freight income	31,577.56	27,200.34
Warehousing income	1,587.74	1,498.90
Other Operating Revenue		
Sub-Lease income	173.95	194.49
	33,339.24	32,228.24

Note - Current year traded sales amounting to INR 996.31 lakhs has been netted off considering principal agency relationship and net profit has been disclosed in other income.

	Year ended March 31, 2021	Year ended March 31, 2020
22 Other income		
Interest income	83.31	93.58
Provision written back to the extent no longer required	8.26	0.20
Profit on sale of property, plant and equipment	1.06	36.68
Profit on sale of traded goods - high sea sales	5.59	-
Miscellaneous income	20.59	15.56
	118.81	146.02

	Year ended March 31, 2021	Year ended March 31, 2020
23 Purchases of traded goods		
Purchase of traded goods	-	3,296.00
Purchase of consumables	-	214.73
	-	3,510.73

	Year ended March 31, 2021	Year ended March 31, 2020
24 Change in inventories		
Opening stock	-	8.18
Less: Closing stock	-	(69.35)
	-	(61.17)

	Year ended March 31, 2021	Year ended March 31, 2020
25 Transportation expense		
Transportation expense*	26,579.29	21,838.25
	26,579.29	21,838.25

*Current year expense includes change in inventoried consumables amounting INR 34.16 lakhs

	Year ended March 31, 2021	Year ended March 31, 2020
26 Employee benefits expense		
Salaries, wages and bonus	1,009.14	1,170.31
Contribution to provident and other funds	69.58	70.59
Directors remuneration	119.90	132.00
Staff welfare expenses	35.51	36.03
	1,234.13	1,408.93

	Year ended March 31, 2021	Year ended March 31, 2020
27 Finance costs		
Interest on cash credit facility	258.85	345.51
Interest on truck loan and car loan	383.01	381.93
Interest on late deposit of statutory dues	220.45	89.07
Other borrowing costs	358.68	151.58
	1,220.99	968.09

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

28 Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Business promotion	75.97	94.92
Bank charges	64.47	26.41
Repair & maintenance expenses- property, plant and equipment	368.16	179.71
Repair & maintenance expenses - others	58.98	62.33
Conveyance and travelling expenses	82.36	137.68
Electricity and water charges	28.26	34.99
Office expenses	131.14	95.76
Postage and courier expenses	21.50	20.63
Printing and stationery expenses	16.00	31.85
Rent expenses	1,582.24	1,549.14
Director sitting fees	10.00	6.70
Rates and taxes	29.61	6.72
Legal and professional charges (Refer note 29)	141.52	115.57
Commission expenses	23.31	14.18
Donation	6.87	24.29
Provision for doubtful debts	886.01	216.97
Bad debts written off	211.21	-
Provision for lorry advance*	131.62	378.42
Lorry trip advance written off	100.60	-
Provision for employee advances	-	21.79
Corporate social responsibility activities (Refer note 38)	21.87	22.08
Advances written off	12.24	-
Miscellaneous expenses	77.68	79.48
	4,081.62	3,119.62

*Provision for lorry trip advance as at March 31, 2020 amounting INR 378.42 lakhs has been written off in current financial year 2020-21.

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29 Payment to auditors (excluding taxes)

	Year ended March 31, 2021	Year ended March 31, 2020
In capacity as auditor		
Statutory audit*	22.50	10.00
Limited review	6.00	6.00
Certification work	1.30	-
Reimbursement of expenses	0.49	0.70
	30.29	16.70

*Audit fees in financial year 2020-21 includes INR 750,000 in respect of cost overrun for financial year 2019-20.

30 Prior period expense/ (Income)

	Year ended March 31, 2021	Year ended March 31, 2020
Legal & Professional charges	2.77	13.64
Salaries, wages and bonus	-	1.90
Repair & Maintenance	6.83	2.98
Rent expenses	-	14.86
Sub-Lease income	(102.10)	(10.26)
Miscellaneous expenses	1.52	-
Rates and taxes	0.53	-
Interest Income	(20.08)	-
Commission on sales	3.06	-
Electricity expenses	5.04	-
Postage and courier expenses	1.30	-
Freight Income	(6.21)	-
Conveyance and travelling expenses	1.84	-
Printing and stationery	0.42	-
Office Expenses	3.21	-
Business Promotion	0.98	-
	(100.89)	23.12

31 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) Associate

NDRAVG Business Park Private Limited
NDR AVG Logistics LLP

(ii) Enterprises over which the key management personnel exercise significant influence and/or control

Directors are partner of the firm	MA Enterprises
Director has control	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	SVJ Developers Private Limited (till September 01, 2019)

(iii) Key management personnel (KMP)

Managing Director	Sanjay Gupta
Women Director	Asha Gupta (wife of Sanjay Gupta)
Chief Financial Officer	Arun Kumar Goel (till November 12, 2019)
Chief Financial Officer	Gurpreet Singh Luthra (with effect from November 13, 2019)
Company Secretary	Laveena Jain (till October 12, 2021)

(iv) Relative of Key management Person (KMP)

Son of Sanjay Gupta and Asha Gupta	Vinayak Gupta
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B. Transaction with related parties

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<u>Transportation expenses</u>		
Enterprises over which the key management personnel have the significant influence		
MA Enterprises	3.92	4.18
<u>Short-term loans and advances given</u>		
Associate		
NDRAVG Business Park Private Limited	-	1.50
<u>Payment received of loan and advances</u>		
Enterprises over which the key management personnel have the significant influence		
SVJ Developers Private Limited	-	175.00
Associate		
NDRAVG Business Park Private Limited	-	61.31
<u>Short-term borrowings</u>		
Associate		
NDRAVG Business Park Private Limited	-	324.70
<u>Other payables</u>		
Associate		
NDRAVG Business Park Private Limited	-	178.68
<u>Interest income</u>		
Enterprises over which the key management personnel have the significant influence		
SVJ Developers Private Limited	-	22.38
<u>Freight income</u>		
Enterprises over which the key management personnel have the significant influence		
PCG Logistics Private Limited	31.77	147.96
<u>Directors' remuneration</u>		
Key management personnel (KMP)		
Sanjay Gupta	65.40	72.00
Asha Gupta	54.50	60.00
<u>Salaries and wages</u>		
Key management personnel and its relatives		
Vinayak Gupta	42.60	48.00
Arun Kumar Goel	-	14.88
Gurpreet Singh Luthra	34.64	23.17
Laveena Jain	4.83	-

C. Balance outstanding as at year end:

Particulars	As at 31 March 2021	As at 31 March 2020
<u>Other payable:</u>		
Enterprises over which the key management personnel have the significant influence		
NDR AVG Logistics LLP	6.25	6.25
MA Enterprises	1.52	-
Associate		
NDRAVG Business Park Private Limited	178.68	178.68
<u>To Key management personnel (KMP) and its relatives:</u>		
Sanjay Gupta	5.47	0.03
Asha Gupta	6.52	0.18
Arun Kumar Goel	-	0.78
Gurpreet Singh Luthra	5.22	4.77
<u>Short-term borrowings</u>		
Associate		
NDRAVG Business Park Private Limited	324.70	324.70
Advance to employees		
<u>To Key management personnel (KMP) and its relatives:</u>		
Vinayak Gupta	7.42	7.58
<u>Balance receivables</u>		
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
Maple Packaging and Logistics	0.51	0.38
PCG Logistics Private Limited - Trade receivable	84.43	4.17
SVJ Developers Private Limited - Loan receivable	-	277.00
SVJ Developers Private Limited - Interest receivable	-	83.51

32 Earnings per share

	Year ended March 31, 2021	Year ended March 31, 2020
Profit after tax attributable to equity shareholders - A	(176.33)	447.97
Number of equity shares outstanding during the year - B	11,775,271	10,298,000
Weighted average number of equity shares outstanding during the year - B	11,168,173	10,298,000
Basic Earnings per share - (A/B)	(1.58)	4.35
Diluted Earnings per share - (A/B)	(1.58)	4.35
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.

33 Leases

The Company has taken certain premises for office use of its employees and for sub lease purposes under operating lease 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 426.46 lakhs (previous year INR 392.62 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	As at 31 March 2021	As at 31 March 2020
Payable within one year	210.91	135.24
Payable between one and five years	989.90	737.92
Payable later than five years	1,402.86	1,243.59
	2,603.67	2,116.75

34 Contingent liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Claims against the Company not acknowledged as debt	-	51.63
Interest and other charges on late payment of instalments (Refer footnote i)	85.43	85.43
Bank Guarantee	578.44	465.34
	663.87	602.40

Footnote :

(i) 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 instalments(EMI), which is subject to final negotiation and settlement with Banks and financial Institutions.

35 Capital and other commitments

Particulars	As at	As at
	31 March 2021	31 March 2020
Estimated amount of contracts remaining to be executed on capital account Net of advances of INR 0.72 lakhs and Capital work in progress of INR 222.19 lakhs (Previous year net of advances of INR 23.23 lakhs and Capital work in progress of INR 1,622.53 lakhs)	18.53	449.49
Total capital commitments	18.53	449.49

36 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	As at	As at
	31 March 2021	31 March 2020
Employers contribution to provident fund	55.10	51.70
Employers contribution to employee state insurance and other fund	14.48	18.89
Total	69.58	70.59

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 rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarized position of defined benefit plan is as under:

A. Actuarial assumptions

Particulars	As at	As at
	31 March 2021	31 March 2020
Discount rate (per annum)	5.79%	5.66%
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 (2012-14)
Withdrawal rate	32.00%	23.00%

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	As at	As at
	31 March 2021	31 March 2020
Opening present value of obligation	88.55	58.41
Interest cost	5.01	4.26
Past service cost	-	-
Current service cost	14.45	17.90
Benefits paid	-	-
Actuarial loss/ (gain) on obligation	(24.63)	7.98
Closing present value of obligation	83.38	88.55

C. Expense recognised in the Statement of Profit and Loss

Particulars	As at	
	31 March 2021	31 March 2020
Current service cost	14.45	17.90
Interest cost	5.01	4.26
Past service cost	-	-
Net actuarial loss/(gain) to be recognized	(24.63)	7.99
Expense recognised in the Statement of Profit and Loss (Refer note below)	(5.17)	30.15

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

Particulars	As at	
	31 March 2021	31 March 2020
Present value of defined benefit obligation	83.38	88.55
Fair value of plan assets	-	-
Net funded status	(83.38)	(88.55)

Recognised under:

Short term provision (Refer note 10)	18.54	21.53
Long term provision (Refer note 6)	64.85	67.03

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

Particulars	Year ended	Year ended	Year ended	Year ended March	Year ended March 31,
	March 31, 2021	March 31, 2020	March 31, 2019	31, 2018	2017
PBO	83.38	88.55	58.41	53.93	-
Plan assets	-	-	-	-	-
Net assets/(liability)	(83.38)	(88.55)	(58.41)	(53.93)	-
Experience gain/(loss) on PBO	24.63	(7.98)	13.32	-	-
Experience gain/(loss) on plan assets	-	-	-	-	-

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

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Gratuity	20.24	24.11

37 Segment reporting

Primary segment

In the current year, the Company's business activity falls in primarily into one segment only i.e. Logistic business. The Company operates mainly in Transportation, warehousing business and other value added services. The Company has considered one reportable segment and considering transactions individually and collectively for other small segments are less than 10% of total revenue, internal and external of all segments accordingly separate disclosure are not required as per Accounting Standard 17, 'Segment Reporting'.

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
A. Segment Revenue		
Logistics business	33,458.05	28,893.73
Trading	-	3,334.51
Total Revenue from operations	33,458.05	32,228.24
B. Segment Results		
Expenses		
Logistics business	33,694.06	597.46
Trading	-	38.51
Total	33,694.06	635.97
Profit before tax	(236.01)	635.97
C. Segment Assets		
Logistics business	23,007.76	19,839.64
Trading	-	1,057.54
Total	23,007.76	20,897.18
D. Segment Liabilities		
Logistics business	15,147.73	12,347.10
Trading	-	1,176.00
Total	15,147.73	13,523.10

38 Corporate social responsibility (CSR)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
A. Gross amount required to be spent	21.15	21.20
B. Amount spent during the year (Refer foot note)	21.87	22.08

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
(i) Construction/acquisition of assets	5.00	11.75
(ii) Other revenue expenses	16.87	10.33
	21.87	22.08

- C. The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
D. The Company does not wish to carry forward any excess amount spent during the year.
E. The Company does not have any ongoing projects as at March 31, 2021.

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

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

41 During the previous year, the Company has exercised the option permitted under section 115BAA of the Income Tax Act 1961 as introduced by the Taxman Laws (Amendment) Ordinance 2019. Accordingly the estimates of tax expenses for the year ended March 31, 2020 have been remeasured.

42 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company provides logistics services to customer majorly dealing in "essential commodity" and major operations of the Company are dependent upon the demand from these customers. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and the actuals may differ from the estimate considered in these financial statements. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that no there is no significant impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the consolidated financial statements.

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

44 During the current year, Management revised the estimated useful life of Trucks from 6 years to 10 years. The remaining estimated useful life of trucks were measured with effect from October 01, 2020 to arrive at remaining expected service life of the assets. This change in the useful life of Trucks resulted in reduction in current year's depreciation charge by INR 196.61 lakhs. Had the Company continued with the old useful life of Trucks, the depreciation and amortisation expenses would have been INR 875.20 lakhs.

45 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13 November 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

46 As per the requirement of section 203(1) of the Companies Act, 2013, the Company did not have a company secretary at the time of signing of these financial statements and the Company in the process of appointing the same as per time limit under The Companies Act 2013.

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

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

48 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		
		Parent	Associate	Associate
			Indian	Indian
Limited	Park Private Limited	NDR AVG Logistics LLP		
For the year ended March 31, 2021				
Net Assets, i.e. total assets minus total liabilities	As % of consolidated net assets	100.00%	-0.06%	0.00%
	Amount	7860.03	(4.46)	(0.18)
Share in profit and loss	As % of consolidated net assets	102.49%	-2.55%	0.10%
	Amount	(176.33)	4.46	-0.18
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	7311.51	70.97	0.40

AVG Logistics Limited

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Share in profit and loss	As % of consolidated net assets	86.39%	13.69%	-0.08%
	Amount	447.97	70.97	(0.40)

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

As per our report of even date

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

Gurpreet Singh Luthra

Chief Financial Officer

Place: Bikaner, Rajasthan

Date: October 27, 2021

Place: Delhi

Date: October 27, 2021

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 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, 2021 were approved by the Board of Directors on October 27, 2021.

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.

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 of Consolidated Financials Statements:

S. No.	Name of the Entity	Country of Incorporation	%Ownership Interest	
			As at March 31, 2021	As at March 31, 2020
1.	NDR AVG Business Park Private Limited	India	35%	35%
2.	NDR AVG Logistics LLP	India	30%	30%

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
Building - RCC frame structure	60
Building - other than RCC frame structure	30
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Trucks	6 (till September 30, 2020)
Trucks	10 (w.e.f. October 01, 2020)

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)

The Company performs assessment of useful life of property, plant & equipment once a year, generally at each year end.

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 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.

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 assets 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 assets 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 recognized 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 share 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 recognized 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 recognized 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 recognized net of Goods and service tax.

Interest income

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

Dividend income

Dividend is recognized 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 expenses in the Statement of Profit and Loss in the period in which the employee renders the relevant service.

Short-term leaves- Encashable

The employee 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 Scheme, which are recognised in the Consolidated 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 payment 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 obligation are to be settled. The resultant actuarial gain or loss on charge in present value of the defined benefit obligation is recognised as an income or expense in the Consolidated 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.

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. The consumption of such inventories is accounted for as transportation cost in the financial statement.

xiii. Income taxes

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

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 Consolidated 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 Consolidated Statement of Profit and Loss on a straight-line basis over the lease term. Costs are recognized as an expense in the Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs etc., are recognized immediately in the Consolidated 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 Consolidated Statement of Profit and Loss.

xix. Material Events

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



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 12th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S AVG LOGISTICS LIMITED IS GOING TO BE HELD ON SATURDAY, 04TH DECEMBER, 2021 AT 03:00 P.M AT PARK PLAZA HOTEL & RESORTS, CENTRAL BUSINESS DIST, PLOT 32, MAHARSHI VALMIKI MARG, SHAHDARA, DELHI- 110032 TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 and the statement of Profit and Loss Account & Cash Flow Statement for the year ended March 31, 2021 and the Reports of the Board of Directors and Auditor's thereon.
2. To appoint Mr. Sanjay Gupta (DIN: 00527801), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **To Approve Increase in Remuneration of Mr. Sanjay Gupta, Managing Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Schedule V and other applicable provisions, if any, of the Act and Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of Nomination & Remuneration Committee, approval of members of the Company be and is hereby accorded for upward revision in payment of remuneration amounting to Rs. 78,00,000 (Seventy Eight Lakhs) per annum to Mr. Sanjay Gupta Managing Director of the Company with effect from November 01, 2021 till the remaining of duration of his tenure, provided that such variation or increase is within specified limit as under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:



1.	Salary	78,00,000 p.a
2.	Perquisites	Perquisites will be allowed in addition to salary as under:
		Provident Fund: The Company shall contribute towards provident fund as per the rules of the Company.
		Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act
		Leave Encashment and Bonus
3.	Use of car and telephone	Company owned and maintained car with driver. Phones to be provided by the Company.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized 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 the above resolution and matters incidental thereto”.

4. To Approve the Remuneration of Mrs. Asha Gupta Whole Time 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 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and hereby accorded to fix the remuneration of Mrs. Asha Gupta (DIN: 02864795), Whole Time Director, amounting to Rs. 60,00,000 (Sixty Lakh) per annum along with other perquisites, as given below:-



1.	Salary	60,00,000 p.a
2.	Perquisites	Perquisites will be allowed in addition to salary as under:
		Provident Fund: The Company shall contribute towards provident fund as per the rules of the Company.
		Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act
		Leave Encashment and Bonus
3.	Use of car and telephone	Company owned and maintained car with driver. Phones to be provided by the Company.

RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members in their meeting held on 19th January, 2018 with respect to the appointment of Mrs. Asha Gupta, as Whole time Director shall continue to remain in full force and effect.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized 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 the above resolution and matters incidental thereto”.

5. Approval for reappointment and remuneration of Mr. Vinayak Gupta holding office or place of profit in 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 clause (f) of sub section (1) Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, and pursuant to recommendation of Nomination & remuneration committee and the Board of Directors the consent of Members be and is hereby accorded to Re-appoint Mr.Vinayak Gupta Son of Mr. Sanjay Gupta, Managing Director and Mrs. Asha Gupta, whole Time Director holding and



constituting to hold an office or place of profit as Vice-President on monthly gross remuneration of 4,00,000/- (Rupees Four Lakh) per month along with other perquisites as given below on the the agreed terms and conditions duly mentioned in the appointment letter:-

- Basic Salary: 4,00,000/- (Rupees Four Lakh) per month
- Perquisites and allowances: Perquisites and other allowances in addition to salary shall be upto 50% of the basic salary.
- Other Benefits: All other benefits, facilities, schemes, reimbursements, leave encashment, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of the Company as per Rules/Policies of the Company, from time to time.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized 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 the above resolution and matters incidental thereto”.

Place: Delhi

Date: October 27, 2021

By Order of Board of Directors

For, AVG Logistics Limited

Sd/-

SANJAY GUPTA

MANAGING DIRECTOR

DIN:00527801



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 provision 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 Saturday, the 27th November, 2021 to Saturday the 04th December, 2021 (both days inclusive).
9. A person entered in Register of Members on **26.11.2021** 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 2020-21, the notice of the 12TH 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 have 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.

Place: Delhi

Date: October 27, 2021

By Order of Board of Directors

For, AVG Logistics Limited

Sd/-

SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM – 3

To Approve Increase in Remuneration of Mr. Sanjay Gupta Managing Director of the Company .

Your Board of Directors wish to inform you that by considering the contribution of Mr. Sanjay Gupta, Company has made immense progress and under his leadership, guidance and his skills of operational planning served the Company to overcome the future hardship and made immense growth, further as per the recommendation of Nomination and Remuneration Committee, the Board at its Meeting held on October 27, 2021 approved the increase in payment of remuneration of Mr. Sanjay Gupta Managing Director of the Company with effect from November 01, 2021 till the remaining of duration of his tenure on the terms and condition enumerated in the resolution.

Reference to the provision of Section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the Companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September, 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013, provides for payment of managerial remuneration by Companies, requires member's approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of Ordinary Resolution. Hence the Board recommends the resolution for member approval by way of Ordinary Resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated September 12, 2018.

Pursuant to clause (iv) of section II of schedule V of the companies act, 2013 the following statement is given:

I	General Information	
1.	Nature of Industry:	Logistics
2.	Date or expected date of commencement of commercial production	N.A
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A



4.	Financial performance based on given indicators	Performance for F.Y 2020-21: 1.Gross Revenue: Rs 33458.05 (Lakhs) 2.Profit After Tax: (176.34) Lakhs 3. Dividend: NA 4. EPS: (1.58)
5.	Foreign investments or collaborations, if any.	N.A
II.	Information about the appointee:	
	(1) Background details	Mr. Sanjay Gupta is experienced professional with more than 30 years of experience in this Industry
	(2) Past remuneration	The Remuneration drawn by Mr. Sanjay Gupta in last one year i.e 2020-21 is Rs.72,00,000 (Seventy Two Lakhs).
	(3) Recognition or awards	N.A
	(4) Job profile and his suitability	He has been part of Organization since the inception of the Company and played pivotal role for the organization and have lead successful growth of the business.
	(5) Remuneration proposed	As mentioned in resolution
	(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered on him of the enhanced business activities of the Company, Proposed remuneration is commensurate with Industry



		standards and the pivotal position of the Board held by him
	(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Husband of Mrs. Asha Gupta , Whole Time Director of the Company.
III.	Other information:	
	(1) Reasons of loss or inadequate profits	The proposed Remuneration is not falling within the limits specified under the section 197 of the Companies Act. However the same is in line with the Industry Standards for the managerial personal falling under the same cadre.
	(2) Steps taken or proposed to be taken for improvement	N.A
	(3) Expected increase in productivity and profits in measurable terms	N.A

ITEM – 4

To Approve the Remuneration of Mrs. Asha Gupta Whole Time Director of the Company.

The Members of the Company vide Special Resolution passed in their meeting held on 19th January, 2018 had appointed Mrs. Asha Gupta as Whole Time Director of the Company for a tenure of five years effective from January 19, 2018 to January 16, 2023. Pursuant to Section II of Part II of Schedule V to the Companies Act, 2013, the remuneration payable to Mrs. Asha Gupta was approved for a period of three years w.e.f., January 19, 2018 to January 16, 2021. The approval of the Members pursuant to Section 197(1) of the Companies Act, 2013 as amended from time to time is now sought for the remuneration payable to Mrs. Asha Gupta as Whole Time Director of the Company for the remaining period. The details are set out below:-

Remuneration proposed: The remuneration proposed to be payable to Mrs. Asha Gupta for the remaining period of her term is same as the remuneration i.e. Rs.60,00,000 per annum, approved by the Members of the Company vide Special resolution passed in their meeting held on 19th January, 2018.

Reference to the provision of Section 196, 197 and 198 of the Companies act, 2013, read with schedule V to the Companies act 2013 along with the Ministry of Corporate Affairs (MCA) through



its notification dated 12 September, 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013, provides for payment of managerial remuneration by Companies, requires member's approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of Ordinary Resolution. Hence the Board recommends the resolution for member approval by way of Ordinary Resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated September 12, 2018.

Pursuant to clause (iv) of section II of schedule V of the companies act, 2013 the following statement is given:

I	General Information	
1.	Nature of Industry:	Logistics
2.	Date or expected date of commencement of commercial production	N.A
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A
4.	Financial performance based on given indicators	Performance for F.Y 2020-21: 1. Gross Revenue: Rs 33,458.05 Lakhs 2. Profit After Tax: (176.34) Lakhs 3. Dividend: N.A. 4. EPS: (1.58)
5.	Foreign investments or collaborations, if any.	N.A
II.	Information about the appointee:	



	(1) Background details	Mrs. Asha Gupta is experienced professional with more than 10 years of experience in this Industry
	(2) Past remuneration	The Remuneration drawn by Mrs. Asha Gupta in last one year i.e 2020-21 is Rs.60,00,000(Sixty Lakhs).
	(3) Recognition or awards	N.A
	(4) Job profile and his suitability	She has been part of Organization since the inception of the Company and played pivotal role for the organization and has led successful growth of the business.
	(5) Remuneration proposed	As mentioned in resolution
	(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered on her of the enhanced business activities of the Company, Proposed remuneration is commensurate with Industry standards and the pivotal position of the Board held by her.
	(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Wife of Mr. Sanjay Gupta , Managing Director of the Company
III.	Other information:	
	(1) Reasons of loss or inadequate profits	The proposed Remuneration is not falling within the limits specified under the section 197 of the Companies Act. However the same is in line with the Industry Standards for the managerial personal falling under the same cadre.



	(2) Steps taken or proposed to be taken for improvement	N.A
	(3) Expected increase in productivity and profits in measurable terms	N.A

ITEM – 5

The Companies Act, 2013 aims to ensure transparency and dealing with related parties of the Company. the provisions of section 188(1)(f) of the Companies Act, 2013 that govern the related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company.

Mr. Vinayak Gupta son of Mr. Sanjay Gupta, Managing Director and Mrs Asha Gupta, Whole time director of the Company was appointed as Vice- President holding a office of place or profit under section 188 and all other applicable provisions of the Companies, Act, 2013 read with the Rules made thereunder at monthly gross salary of Rs. 400,000 per month along with other perquisites. Mr. Vinayak Gupta is associated with the Company from last few years and meanwhile gave his best for its immense growth.

Your Directors recommend passing of this resolution of re-appointment as Vice-President and fixing remuneration by way of Ordinary Resolution.

Except Mr. Sanjay Gupta, Mrs. Asha Gupta and Mrs. Anjali Gupta wife of Mr. Vinayak Gupta none of the director, Key managerial Personnel or their relative is, in any way, concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding.



Annexure - 1

Details of Directors seeking Appointment / Re-appointment at the 12th 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. Sanjay Gupta (DIN: 00527801)
II.	Age	51 years
III.	Qualification	Bachelor of Commerce from Maharashi Dayanand University , Rohtak, Haryana.
IV.	Brief resume including profile, experience and expertise in specific functional areas	<p>He has more than 30 years of experience in multi- model logistics, warehousing and retail logistics. His knowledge, good management skill, excellent decision making, controlling and strategic planning leads him to start his own entrepreneur. Even in a short span of time he has achieved an unexpected growth in the business.</p> <p>Mr. Sanjay Gupta has an objective of delivering excellent services to the customers. He is a visionary logistics professional; he has managed to introduce train movements on several most difficult routes and deployment of 32ft. containers on high volume road routes. The Innovative skills have always been the one of the strength of Mr. Sanjay Gupta. In 2020 the AVG Logistics launched first Indian train from Panipat, India to Benapole, Bangladesh through Indian Railways for exporting Nestle Baby milk Powder.</p>
V.	Shareholding in the Company as on March 31, 2021	14.58%
VI.	Names of listed entities in which the person also holds the directorship and the	NIL



	membership of Committees of the board		
VII.	Relationship with other Directors of the Company	Husband of Mrs. Asha Gupta , Whole Time Director of the Company	Not Applicable

Place: Delhi

Date: October 27, 2021

By Order of Board of Directors

For, AVG Logistics Limited

Sd/-

SANJAY GUPTA

MANAGING DIRECTOR

DIN: 00527801

**ATTENDANCE SLIP****(TO BE PRESENTED AT THE ENTRANCE)****12th ANNUAL GENERAL MEETING ON SATURDAY, 04TH DECEMBER, 2021 AT 3:00 P.M.
AT PARK PLAZA HOTEL & RESORTS, CENTRAL BUSINESS DIST, PLOT 32, MAHARSHI
VALMIKI MARG, SHAHDARA, DELHI- 110032**

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 12th Annual General Meeting of the Company held on **SATURDAY, 04TH DECEMBER, 2021**, at Park Plaza Hotel & Resorts, Central Business Dist, Plot 32, Maharshi Valmiki Marg, Shahdara, Delhi-110032

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 12th Annual General Meeting of the Company, to be held on Saturday, 04th December, 2021 At 3:00 P.M. at **Park Plaza Hotel & Resorts, Central Business Dist, Plot 32, Maharshi Valmiki Marg, Shahdara, Delhi 110032** 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 2021 and the statement of profit and loss for the period Starting from 1 st April 2020 to 31 st March 2021, Cash Flow Statement and Notes forming part of the Financial Statement for the year ended 31 st March, 2021 together with the Director's Report and Auditor's Report thereon.		
2.	To appoint Mr. Sanjay Gupta (DIN: 00527801), who retires by rotation and being eligible, offers himself for re-appointment		
3.	To Approve Increase in Remuneration of Mr. Sanjay Gupta, Managing Director of the Company.		
4.	To Approve the Remuneration of Mrs. Asha Gupta, Whole Time Director of the Company.		



5.	Approval for re-appointment and remuneration of Mr. Vinayak Gupta, holding office or place of profit in the Company.		
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Signed this _____ day of _____ 2021

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 percent 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



Route Map

